

PORTFOLIO BUDGET STATEMENTS 2026-27
BUDGET RELATED PAPER NO. 1.1

**AGRICULTURE, FISHERIES AND
FORESTRY PORTFOLIO**

Budget Initiatives and Explanations of Appropriations
Specified by Outcomes and Programs by Entity

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Julie Collins MP

Minister for Agriculture, Fisheries and Forestry

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear President
Dear Mr Speaker

I hereby submit Portfolio Budget Statements in support of the 2026-27 Budget for the Agriculture, Fisheries and Forestry portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the outcomes for the Portfolio.

I present these statements by virtue of my ministerial responsibility for accountability to the Parliament and, through it, the public.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Julie Collins', written over a light grey signature line.

Julie Collins MP

Abbreviations and conventions

The following notations may be used:

NEC/nec	not elsewhere classified
-	nil
..	not zero, but rounded to zero
na	not applicable (unless otherwise specified)
nfp	not for publication
\$m	\$ million
\$b	\$ billion

Figures in tables and in the text may be rounded. Figures in text are generally rounded to one decimal place, whereas figures in tables are generally rounded to the nearest thousand. Discrepancies in tables between totals and sums of components are due to rounding.

Enquiries

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Links to Portfolio Budget Statements (including Portfolio Additional Estimates Statements and Portfolio Supplementary Additional Statements) can be located on the Australian Government Budget website at: www.budget.gov.au.

**User guide
to the
Portfolio Budget Statements**

User guide

The purpose of the *2026-27 Portfolio Budget Statements* (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to government outcomes by entities within the portfolio. Entities receive resources from the annual appropriations acts, special appropriations (including standing appropriations and special accounts), and revenue from other sources.

A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2026-27 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2026-27 for the parliamentary departments) and related Supply Bills where they exist applicable to the 2026-27 Budget. In this sense, the PB Statements are Budget related papers and are declared by the Appropriation Acts to be 'relevant documents' to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

The PB Statements provide information, explanation and justification to enable Parliament to understand the purpose of each outcome proposed in the Bills.

As required under section 12 of the *Charter of Budget Honesty Act 1998*, only entities within the general government sector are included as part of the Commonwealth general government sector fiscal estimates and produce PB Statements where they receive funding (either directly or via portfolio departments) through the annual appropriation acts.

The Commonwealth performance framework

The following diagram outlines the key components of the Commonwealth performance framework. The diagram identifies the content of each of the publications and the relationship between them. Links to the publications for each entity within the portfolio can be found in the introduction to Section 2: Outcomes and planned performance.

Commonwealth Performance Framework

Key components of relevant publications

Portfolio Budget Statements (typically May) Portfolio based

Supports Annual Appropriations. Informs Senators and Members of Parliament of the proposed allocation of other resources to government outcomes and programs.

Provides links to relevant programs undertaken by other Commonwealth entities.

Provides high-level performance information for current, ongoing programs.

Provides detailed performance information for proposed new budget measures that require a new program or significantly change an existing program.

Links to the corporate plan through reporting key activities.

Corporate Plan (31 August) Entity based

Primary planning document of a Commonwealth entity.

Sets out the purposes of the entity and the key activities it will undertake to achieve its purposes over a minimum 4-year period.

Describes the environment in which the entity operates, the capability it requires to undertake its activities, its risk oversight and management systems including key risks, and how it will cooperate with others, including any subsidiaries, to achieve its purposes.

Explains how the entity's performance will be measured and assessed.



Annual Performance Statement (October following year) Entity based

Included in the Commonwealth entity's Annual Report.

Reports on the actual performance results for the year as set out in the corporate plan and Portfolio Budget Statements.

Provides an analysis of the factors that contributed to the entity's performance results.

Contents

User guide	vi
Agriculture, Fisheries and Forestry Portfolio overview	3
Entity resources and planned performance	7
Department of Agriculture, Fisheries and Forestry	9
AgriFutures Australia	69
Australian Fisheries Management Authority	95
Australian Pesticides and Veterinary Medicines Authority	125
Cotton Research and Development Corporation	149
Fisheries Research and Development Corporation	173
Grains Research and Development Corporation	195
Regional Investment Corporation	221
Wine Australia	243

Portfolio overview

Agriculture, Fisheries and Forestry Portfolio overview

Minister and portfolio responsibilities

The Agriculture, Fisheries and Forestry portfolio is overseen by:

- The Minister for Agriculture, Fisheries and Forestry, Minister Julie Collins.
- Assistant Minister for Agriculture, Fisheries and Forestry, Senator, the Hon. Anthony Chisholm.

The portfolio consists of:

- Department of Agriculture, Fisheries and Forestry
- AgriFutures Australia
- Australian Fisheries Management Authority
- Australian Pesticides and Veterinary Medicines Authority
- Cotton Research and Development Corporation
- Fisheries Research and Development Corporation
- Grains Research and Development Corporation
- Regional Investment Corporation
- Wine Australia.

Each entity within the portfolio has at least one outcome and program. Details are provided in each entity's section of this document.

For information on resourcing across the portfolio, please refer to Part 1: Agency Financial Resourcing in *Budget Paper No. 4: Agency Resourcing*.

Figure 1: Agriculture, Fisheries and Forestry Portfolio structure and outcomes



Figure 1: Agriculture, Fisheries and Forestry Portfolio structure and outcomes (continued)**Cotton Research and Development Corporation (CRDC) (b)**

Executive Director: Mr Allan Williams

Outcome: Adoption of innovation that leads to increased productivity, competitiveness and environmental sustainability through investment in research and development that benefits the Australian cotton industry and the wider community

Fisheries Research and Development Corporation (FRDC) (b)

Managing Director: Mr Sean Sloan

Outcome: Increased economic, social and environmental benefits for Australian fishing and aquaculture, and the wider community, by investing in knowledge, innovation, and marketing.

Grains Research and Development Corporation (GRDC) (b)

Managing Director: Mr Nigel Hart

Outcome: New information and products that enhance the productivity, competitiveness and environmental sustainability of Australian grain powers and benefit the industry and wider community, through planning, managing and implementing investments in grains research and development.

Regional Investment Corporation (RIC) (b)

Chief Executive Officer: Mr John Howard

Outcome: Encourage growth, investment and resilience in Australian farm business and rural and regional communities by delivering the Commonwealth's farm business concessional loans.

Wine Australia (WA) (b)

Chief Executive Officer: Dr Martin Cole

Outcome: Foster and enable a competitive Australian wine industry by investing in research and development, building markets, disseminating knowledge and ensuring compliance.

(a) 'Non-corporate Commonwealth Entity' (NCCE) as defined under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

(b) 'Corporate Commonwealth Entity' (CCE) as defined under the PGPA Act.

Other industry-owned and not-for-profit companies related to the portfolio

Australian industry-owned companies are independent corporate entities, established under specific legislation with expertise-based boards. The company members appoint the directors of the board. Companies are accountable to the Minister for Agriculture, Fisheries and Forestry through legislation and statutory funding agreements and are entitled to receive industry levies and matching Australian Government funding for eligible research and development (R&D) expenditure. These entities report outside the general government sector.

The following industry-owned companies provide R&D and marketing services.

- Australian Eggs Limited
- Australian Livestock Export Corporation Limited
- Australian Meat Processor Corporation Limited
- Australian Pork Limited
- Australian Wool Innovation Limited
- Dairy Australia Limited
- Forest and Wood Products Australia Limited
- Horticulture Innovation Australia Limited
- Meat and Livestock Australia Limited
- Sugar Research Australia Limited.

Separately, the Australian Government provides funding to the following not-for-profit, portfolio-related companies.

- Australian Animal Health Council Limited
- Plant Health Australia Limited.

Entity resources and planned performance

Department of Agriculture, Fisheries and Forestry	9
AgriFutures Australia	69
Australian Fisheries Management Authority	95
Australian Pesticides and Veterinary Medicines Authority	125
Cotton Research and Development Corporation	149
Fisheries Research and Development Corporation	173
Grains Research and Development Corporation	195
Regional Investment Corporation	221
Wine Australia	243

Department of Agriculture, Fisheries and Forestry

Entity resources and planned performance

Department of Agriculture, Fisheries and Forestry

Section 1: Entity overview and resources	13
1.1 Strategic direction statement.....	13
1.2 Entity resource statement	16
1.3 Budget measures	21
Section 2: Outcomes and planned performance	24
2.1 Budgeted expenses and performance for Outcome 1	25
2.2 Budgeted expenses and performance for Outcome 2	42
Section 3: Budgeted financial statements	53
3.1 Budgeted financial statements	53
3.2 Budgeted financial statements tables.....	55

Department of Agriculture, Fisheries and Forestry

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Department of Agriculture, Fisheries and Forestry strengthens Australia's agricultural sector by building our export markets, safeguarding our plants and animals from pests and disease, and managing programs and services that help Australian producers remain resilient to climate-related events. Through working with stakeholders to bolster agricultural production, trade, biosecurity and climate-resilience, the department contributes to a more sustainable and prosperous Australia.

The department can only achieve its purpose through strong working relationships, communication and consultation with stakeholders. These partnerships allow us to develop robust policy and programs, ensure industry and the general public have the information they need, and ensure our regulation is efficient and fit-for-purpose.

The department is committed to building a sustainable, resilient and secure food system that serves all Australians, from producers to consumers. The work of our farmers, fishers and foresters underpins our nation's food security, and our economy. Supporting producers' access to critical agricultural inputs is essential to making sure Australia's food system remains strong during this time of uncertainty. Last year the government took a proactive approach to address the range of challenges facing our food system by initiating the development of a National Food Security Strategy. The department is currently designing the National Food Security Strategy with farmers, fishers, industry and the community. Through this process, the department is bringing together people with experience and expertise in food security, to ensure the strategy is effective and grounded in real-world insight.

Recently, the agricultural sector has been affected by fuel, fertiliser and supply chain disruptions due to conflict in the Middle East. Producers are facing challenges accessing fuel, fertiliser, and plastics for packaging, and accessing sufficient labour on farms, in forestry and on trawlers. These challenges affect on-farm decision making around sowing or stocking and add to the cumulative effects of existing seasonal challenges.

The government has implemented a range of short, medium and long-term actions to manage reliable fuel and fertiliser supply and ensure Australia's food security. So far, the government has introduced a range of initiatives to ensure Australia is resilient to supply chain disruptions. These include the creation of a nationally consistent framework to support the allocation of fuel, and the establishment of a Fertiliser Supply Working Group to address critical fertiliser shortages and secure supply for Australian producers.

The department has been working to help secure additional fertiliser supply from alternative markets and has streamlined border processes for imported fertiliser that do not compromise our biosecurity. The department is working with Export Finance Australia on underwriting

fertiliser shipments and working closely with stakeholders on options to ensure our food system is robust and resilient in the face of current challenges.

Managing risk is not new to Australia’s farmers, agribusinesses and rural communities. They face many risks, including droughts, pests and diseases and market disruptions. The department and our portfolio agencies manage programs and services that help Australian producers and their communities prepare for, manage and recover from climate-related events. Last year the government committed \$1 billion in additional loan funding for the Regional Investment Corporation (RIC). This investment in the RIC ensures farmers and producers can continue to access concessional lending. The government has announced it will broaden the RIC’s loan scope to include assistance for improving climate resilience, boosting sector productivity, and supporting agriculture to be part of Australia’s net zero transition. This investment enables the RIC to continue supporting farm businesses in need, as well as supporting producers and farmers facing new challenges.

The success of Australia’s \$100 billion agricultural sector is underpinned by our strong biosecurity system. This system is widely recognised as one of the strongest and most comprehensive in the world. However, we will never be able to reduce our biosecurity threat to zero. Growing trade volumes and passenger movements, shifting global trade and travel patterns, and the impacts of climate change all contribute to heightened and evolving biosecurity threats. Through engaging closely with industry and the public, the department works to manage and mitigate new and emerging threats. Maintaining the high standards of Australia’s biosecurity system and investing in biosecurity services at new and redeveloping ports supports Australia’s agricultural productivity, and enables our growers and producers to compete globally.

Australia exports around 70% of our agricultural production, by volume. This means international markets are vital to the economic growth of our agricultural sector. This Budget, the government has delivered sustainable funding solutions to ensure the department can continue to deliver its critical market access and international engagement activities. These activities are essential in promoting Australia’s trade interests and enabling diversification of agricultural exports. As the trading environment becomes increasingly complex, the department’s trade functions perform critical tasks in securing trade agreements with international markets, reducing regulatory burden through unifying standards, supporting supply chain flexibility, and promoting investment in the sector. Delivering these activities supports Australia’s place in international food and fibre markets and ensures Australia continues to play an enduring role in international agricultural leadership.

We seek to achieve our mission through the department’s two outcomes:

Outcome 1: More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries through policies and initiatives that promote better resource management practices, innovation, self-reliance and improved access to international markets.

Outcome 2: Safeguard Australia’s animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases, through risk assessment, inspection and certification, and the implementation of emergency response arrangements for Australian agricultural, food and fibre industries.

1.2 Entity resource statement

Table 1.1 shows the total resourcing from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to the *Budget Paper No. 4 – Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: Department of Agriculture, Fisheries and Forestry Resource Statement – Budget estimates for 2026-27 as at Budget May 2026

	<i>2025-2026 Estimated actual \$'000</i>	<i>2026-2027 Estimate \$'000</i>
<u>Departmental</u>		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	74,980	152,184
Departmental appropriation (c)	724,717	723,805
s74 External Revenue (d)	26,102	29,975
Departmental capital budget (e)	68,144	67,507
Annual appropriations - other services - non-operating (f)		
Prior year appropriations available (b)	1,103	33,774
Equity injection	58,093	10,097
Total departmental annual appropriations	953,139	1,017,342
Special accounts (g)		
Opening balance	67,622	67,622
Appropriation receipts (h)	193,823	193,823
Non-appropriation receipts	680,710	688,798
Total special accounts	942,155	950,243
<i>less departmental appropriations drawn from annual appropriations and credited to special accounts (h)</i>	<i>(193,823)</i>	<i>(193,823)</i>
Total departmental resourcing	1,701,471	1,773,762

Table 1.1: Department of Agriculture, Fisheries and Forestry resource statement – Budget estimates for 2026-27 as at Budget May 2026 (continued)

	<i>2025-2026 Estimated actual \$'000</i>	<i>2026-2027 Estimate \$'000</i>
<u>Administered</u>		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	50,586	59,461
Outcome 1 (c)	213,386	164,281
Outcome 2 (c)	35,168	28,297
Annual appropriations - other services – non-operating (f)		
Prior year appropriations available (b)	141,866	131,554
Administered assets and liabilities	327,790	333,334
Total administered annual appropriations	768,796	716,927
Total administered special appropriations	1,270,016	1,287,404
Special accounts (g)		
Opening balance	98,851	71,766
Non-appropriated receipts	100,000	88,800
Total special accounts	198,851	160,566
<i>less payments to corporate entities from annual/special appropriations and special accounts (i)</i>	<i>(546,319)</i>	<i>(526,153)</i>
Total administered resourcing	1,691,344	1,638,744
Total resourcing for the Department of Agriculture, Fisheries and Forestry	3,392,815	3,412,506
	2025-2026	2026-2027
Average staffing levels (number) (j)	6,561	6,654

Table 1.1: Department of Agriculture, Fisheries and Forestry resource statement – Budget estimates for 2026-27 as at Budget May 2026 (continued)**Third party payments from and on behalf of other entities**

	<i>2025-2026 Estimated actual \$'000</i>	<i>2026-2027 Estimate \$'000</i>
Payments made by other entities on behalf of the Department of Agriculture, Fisheries and Forestry	96,383	113,699
Payments made to other entities for the provision of services	61,150	66,461
Draw-downs made on behalf of corporate entities within the portfolio (k)		
Australian Pesticides and Veterinary Medicines Authority		
Administered Appropriation Bill (No. 1)	7,483	10,450
Regional Investment Corporation		
Administered Appropriation Bill (No. 1)	22,885	24,663
Administered Appropriation Bill (No. 2)	338	706
Total draw-downs on behalf of corporate entities within the portfolio	30,706	35,819
	<i>2025-2026 Estimated actual \$'000</i>	<i>2026-2027 Estimate \$'000</i>
Payments made to corporate entities within the Portfolio (l)		
AgriFutures Australia		
Administered Appropriation Bill (No. 1)	10,645	10,931
Special Appropriation	33,743	32,822
Australian Pesticides and Veterinary Medicines Authority		
Administered Appropriation Bill (No. 1)	153	157
Special Appropriation	44,363	52,379
Cotton R&D Corporation		
Special Appropriation	28,951	22,478
Fisheries R&D Corporation		
Special Appropriation	29,937	30,238
Grains R&D Corporation		
Special Appropriation	357,495	339,328
Wine Australia		
Administered Appropriation Bill (No. 1)	10,000	10,220
Special Appropriation	31,032	27,600
Total payments made to corporate entities within the portfolio	546,319	526,153

Table 1.1: Department of Agriculture, Fisheries and Forestry resource statement – Budget estimates for 2026-27 as at Budget May 2026 (continued)

Prepared on a resourcing (that is, appropriations available) basis.

All figures shown above are GST exclusive - these may not match figures in the cash flow statement.

- (a) Appropriation Bill (No. 1) 2026–27.
- (b) Excludes \$136.174 million subject to administrative quarantine by Finance or withheld under section 51 of the PGPA Act.
- (c) Excludes \$3.125 million in 2025-26 Departmental, \$5.800 million in 2025-26 Administered Outcome 1 and \$3.729 million in 2025-26 Administered Outcome 2 to be quarantined by Finance or withheld under section 51 of the PGPA Act. Excludes departmental capital budget (DCB).
- (d) Estimated External Revenue receipts under section 74 of the PGPA Act.
- (e) Departmental capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (f) Appropriation Bill (No. 2) 2026–27.
- (g) For further information on special accounts, please refer to the Budget Paper No. 4 – Agency Resourcing. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
- (h) Amounts credited to the special account(s) from the department's annual appropriations.
- (i) 'Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the PGPA Act.
- (j) Increase reflects the impact of demand-driven cost-recovered regulatory functions.
- (k) Amounts appropriated on behalf of corporate entities.
- (l) Includes special appropriations and other grant payments made to corporate entities.

1.3 Budget measures

Budget measures in Part 1 relating to the Department of Agriculture, Fisheries and Forestry are detailed in the Budget Paper No. 2 and are summarised below.

Table 1.2: Department of Agriculture, Fisheries and Forestry 2026-27 Budget measures

Part 1: Measures announced since the 2025-26 Mid-Year Economic and Fiscal Outlook (MYEFO)

Program	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000
Receipt measures					
Primary Industries – changes to agricultural production levies					
Administered receipt	1.5, 2.2	-	-	-	-
Departmental receipt		-	-	-	-
Total		-	-	-	-
Securing the Future of Agricultural Trade					
Administered receipt		-	-	-	-
Departmental receipt	OC2	-	(9,630)	-	-
Total		-	(9,630)	-	-
Total receipt measures					
Administered		-	-	-	-
Departmental		-	(9,630)	-	-
Total		-	(9,630)	-	-
Payment Measures					
Implementing the Government's Environmental Reforms (a)					
Administered payment		-	-	-	-
Departmental payment	OC1	-	808	-	-
Total		-	808	-	-
Primary Industries – changes to agricultural production levies					
Administered payment	1.5, 2.2	-	(18)	(18)	(18)
Departmental payment		-	-	-	-
Total		-	(18)	(18)	(18)
Securing the Future of Agricultural Trade					
Administered payment	1.13	-	1,000	1,000	1,000
Departmental payment	OC1,OC2	-	24,190	16,122	16,513
Total		-	25,190	17,122	17,513
Supporting Trade and Tourism (b)					
Administered payment	1.10	-	220	80	-
Departmental payment	OC1	-	1,036	2,318	2,345
Total		-	1,256	2,398	2,339

Part 1: Measures announced since the 2025-26 Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

Program	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000
Supporting Transport Priorities (c)					
Administered payment	-	-	-	-	-
Departmental payment	OC2	1,889	1,440	174	-
Total	-	1,889	1,440	174	-
Agriculture, Fisheries and Forestry Portfolio – reprioritisation (d)					
Administered payment	Multiple	(9,529)	(34,721)	(14,355)	(29,259)
Departmental payment		-	-	-	-
Total		(9,529)	(34,721)	(14,355)	(29,259)
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension (e)					
Administered payment		-	-	-	-
Departmental payment	OC1,OC2	-	-	-	(37,828)
Total		-	-	-	(37,828)
Australian Pesticides and Veterinary Medicines Authority (APVMA) [Pass-through]					
Supplementary Funding for the Australian Pesticides and Veterinary Medicines Authority					
Administered payment	1.10	-	8,700	-	-
Departmental payment		-	-	-	-
Total		-	8,700	-	-
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension (e)					
Administered payment	1.10	-	-	-	(36)
Departmental payment		-	-	-	-
Total		-	-	-	(36)

Part 1: Measures announced since the 2025-26 Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

Program	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000
Regional Investment Corporation [Pass-through]					
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension (e)					
Administered payment 1.11	-	-	-	-	(2,691)
Departmental payment	-	-	-	-	-
Total	-	-	-	-	(2,691)
Total Payments					
Administered payment	(9,529)	(24,819)	(13,293)	(34,419)	(31,004)
Departmental payment	-	27,923	19,880	18,829	(18,976)
Total	(9,529)	3,104	6,587	(15,590)	(49,980)

Prepared on a Government Financial Statistics (Underlying Cash) basis. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

- The lead entity for Implementing the Government's Environmental Reforms is Department of Climate Change, Energy, the Environment and Water. The full measure description and package details appear in Budget Paper No. 2 under the Climate Change, Energy, the Environment and Water portfolio.
- The lead entity for Supporting Trade and Tourism is Department of Foreign Affairs and Trade. The full measure description and package details appear in Budget Paper No. 2 under the Foreign Affairs and Trade portfolio.
- The lead entity for Supporting Transport Priorities is Department of Home Affairs. The full measure description and package details appear in Budget Paper No. 2 under the Home Affairs portfolio. This measure includes capital funding.
- This measure relates to administered programs 1.1, 1.3, 1.4, 1.10, 1.11, 1.13, 2.1 and 2.2.
- This is a cross-portfolio measure. The full measure description and package details appear in Budget Paper No. 2 under Cross Portfolio.

Section 2: Outcomes and planned performance

Government Outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their Outcome Statements. Entities are required to identify the programs which contribute to Government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each Outcome and program, further broken down by funding source.

Following the publication of the 2025–26 PB Statements in March 2025, the department made some changes to its performance measures and targets. This PB Statements includes the performance measures and targets published in the Corporate Plan 2025-26.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide a complete picture of an entity's planned and actual performance.

Our most recent corporate plan can be found at:
agriculture.gov.au/about/reporting/corporate-plan.

The most recent annual performance statements can be found at:
agriculture.gov.au/about/reporting/annual-report.

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries through policies and initiatives that promote better resource management practices, innovation, self-reliance and improved access to international markets.

2.1.1 Linked programs

Portfolio Agencies:

Agrifutures Australia

Australian Fisheries Management Authority

Australian Pesticides and Veterinary Medicines Authority

Cotton Research and Development Corporation

Fisheries Research and Development Corporation

Grains Research and Development Corporation

Regional Investment Corporation

Wine Australia

Programs

Program 1.1 – Australian Fisheries Management Authority

Program 1.1 – Australian Pesticides and Veterinary Medicines Authority

Program 1.1 – Cotton Research and Development Corporation

Program 1.1 – Fisheries Research and Development Corporation

Program 1.1 – Grains Research and Development Corporation

Program 1.1 – Rural Industries and Development Corporation (Agrifutures Australia)

Program 1.1 – Regional Investment Corporation

Program 1.1 – Wine Australia

Contribution to Outcome 1 made by linked programs:

DAFF works together with Agrifutures Australia, Australian Fisheries Management Authority, Australian Pesticides and Veterinary Medicines Authority, Cotton Research and Development Corporation, Fisheries Research and Development Corporation, Grains Research and Development Corporation, Regional Investment Corporation and Wine Australia to ensure sustainable, productive, and profitable agriculture industries.

2.1.1 Linked programs (continued)

<p>Australian Trade and Investment Commission</p>
<p>Program 1.1: Support Australian exporters to expand internationally, attract productive international investment, and grow the visitor economy</p> <p>Program 1.2: Programs to support Australian exporters to expand internationally, attract productive international investment, and grow the visitor economy</p>
<p>Contribution to Outcome 1 made by linked program</p> <p>DAFF, the Department of Foreign Affairs and Trade (DFAT) and the Australian Trade and Investment Commission (Austrade) work together to achieve the best outcomes for Australian agricultural, fisheries and forestry exporters, including through improved market access.</p>
<p>Bureau of Meteorology</p>
<p>Program 1.1: Bureau of Meteorology</p>
<p>Contribution to Outcome 1 made by linked program</p> <p>The Bureau of Meteorology provides weather, climate and water modelling and information to DAFF.</p>
<p>Department of Climate Change, Energy, the Environment and Water</p>
<p>Program 1.2: Reduce Australia's greenhouse gas emissions.</p> <p>Program 2.1: Conserve, protect, sustainably manage and restore Australia’s natural environment</p>
<p>Contribution to Outcome 1 made by linked program</p> <p>DAFF and Department of Climate Change, Energy, the Environment and Water (DCCEEW) work together to deliver programs under the current phase of the Natural Heritage Trust, and to support the agriculture, fisheries and forestry sectors to reduce greenhouse gas emissions.</p>

2.1.1 Linked programs (continued)

Department of Industry, Science and Resources
<p>Program 1.1: Growing Innovative and Competitive Businesses, Industries and Regions</p> <p>Program 1.2: Investing in Science and Technology</p> <p>Program 1.3: Supporting a Strong Resources Sector</p>
<p>Contribution to Outcome 1 made by linked programs:</p> <p>The Department of Industry, Science and Resources works collaboratively with DAFF to monitor and manage critical supply chain risks in the agricultural sector, while providing laboratory services and expertise to support the National Residue Survey, Imported Food Inspection Scheme, and other trade enabling activities through the National Measurement Institute.</p>

2.1.1 Linked programs (continued)

Department of the Treasury
Program 1.4: Commonwealth-State Financial Relations
<p>Contribution to Outcome 1 made by linked programs:</p> <p>The Department of the Treasury contributes to Outcome 1 by making payments through the Federation Funding Agreement Framework on behalf of DAFF, for the following funding agreements:</p> <ul style="list-style-type: none"> • Implementation of the Live Sheep Exports by Sea Phase Out (SPP1013) • Partnering to Implement the National Soil Action Plan (SPP970) • Management of Established Pests and Weeds (SPP693) • Support Forestry Strategy Development (SPP1029) <p>Future Drought Fund</p> <ul style="list-style-type: none"> • Farm Business Resilience (SPP840) • Regional Drought Resilience Planning (SPP838)
National Indigenous Australians Agency
Program 1.1: Jobs, Land and the Economy
<p>Contribution to Outcome 1 made by linked program:</p> <p>DAFF and National Indigenous Australians Agency work together to provide opportunities for First Nations communities and land managers to engage with programs funded under the Natural Heritage Trust.</p>
Services Australia
<p>Program 1.1: Strategy and Corporate Enabling</p> <p>Program 1.2: Customer Service Delivery</p> <p>Program 1.3: Technology and Transformation</p>
<p>Contribution to Outcome 1 made by linked program</p> <p>Services Australia manages payments under the <i>Farm Household Support Act 2014</i> on behalf of DAFF.</p>

2.1.2 Budgeted expenses for Outcome 1

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

Table 2.1: Budgeted expenses for Outcome 1

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 1.1: Agricultural Adaptation					
Administered expenses					
<u>Ordinary annual services</u> <u>(Appropriation Bill (No. 1) and</u> <u>Bill (No. 3))</u>					
Agriculture and Land Sectors – low emissions future	2,245	3,236	1,850	300	300
Administered total	2,245	3,236	1,850	300	300
Total Program expenses	2,245	3,236	1,850	300	300
Program 1.2: Sustainable Management - Natural Resources					
Administered expenses					
<u>Ordinary annual services</u> <u>(Appropriation Bill (No. 1) and</u> <u>Bill (No. 3))</u>					
Agriculture 2030 – Biosecurity – for reduction and prevention activities to reduce the economic and environmental burden of established feral animals, pests and weeds	5,775	-	-	-	-
Agriculture 2030 – Soil and Stewardship: National Carp Control Plan	1,839	1,838	-	-	-
Administered total	7,614	1,838	-	-	-
Total Program expenses	7,614	1,838	-	-	-

Table 2.1: Budgeted expenses for Outcome 1 (continued)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 1.3: Forestry Industry					
Administered expenses					
<u>Ordinary annual services</u>					
<u>(Appropriation Bill (No. 1) and Bill (No. 3))</u>					
A Better Plan for Forestry and Forest Products:					
Australia-wide National Institute of Forest Products Innovation					
	25,000	25,000	-	-	-
Forestry Workforce Training Program					
	4,000	2,000	-	-	-
Support Plantation Establishment					
	36,426	25,924	-	-	-
Accelerate Adoption of Wood Processing Innovation					
	18,980	1,507	-	-	-
Forestry Growth Fund - industry growth grants					
	10,000	20,000	50,000	40,000	20,000
Agriculture 2030 – Forestry and Fisheries – establish new Regional Forestry Hubs					
	4,000	4,000	-	-	-
Administered total	98,406	78,431	50,000	40,000	20,000
<u>Special appropriation</u>					
<i>Primary Industries Levies and Charges Disbursement Act 2024, s.37 – Forestry Industry</i>					
	15,573	15,786	16,022	17,009	17,282
Special Appropriation total	15,573	15,786	16,022	17,009	17,282
Total Program expenses	113,979	94,217	66,022	57,009	37,282
Program 1.4: Fishing Industry					
Administered expenses					
<u>Ordinary annual services</u>					
<u>(Appropriation Bill (No. 1) and Bill (No. 3))</u>					
Fisheries Resources Research Fund					
	836	901	923	943	965
Administered total	836	901	923	943	965
<u>Special appropriation</u>					
<i>Primary Industries Levies and Charges Disbursement Act 2024, s.37 – Fishing Industry</i>					
	29,937	30,238	31,356	32,392	32,588
Special Appropriation total	29,937	30,238	31,356	32,392	32,588
Total Program expenses	30,773	31,139	32,279	33,335	33,553

Table 2.1: Budgeted expenses for Outcome 1 (continued)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 1.5: Horticulture Industry					
Administered expenses					
<u>Special appropriation</u>					
<i>Primary Industries Levies and Charges Disbursement Act 2024, s.37 – Horticulture Industry</i>	148,828	151,400	160,236	164,994	172,515
<i>Special Appropriation total</i>	148,828	151,400	160,236	164,994	172,515
Total Program expenses	148,828	151,400	160,236	164,994	172,515
Program 1.6: Wool Industry					
Administered expenses					
<u>Special appropriation</u>					
<i>Primary Industries Levies and Charges Disbursement Act 2024, s.37 – Wool Industry</i>	55,694	73,000	78,500	84,000	84,000
<i>Special Appropriation total</i>	55,694	73,000	78,500	84,000	84,000
Total Program expenses	55,694	73,000	78,500	84,000	84,000
Program 1.7: Grains Industry					
Administered expenses					
<u>Special appropriation</u>					
<i>Primary Industries Levies and Charges Disbursement Act 2024, s.37 – Grains Industry</i>	354,245	341,108	327,332	349,599	337,296
<i>Special Appropriation total</i>	354,245	341,108	327,332	349,599	337,296
Total Program expenses	354,245	341,108	327,332	349,599	337,296
Program 1.8: Dairy Industry					
Administered expenses					
<u>Special appropriation</u>					
<i>Primary Industries Levies and Charges Disbursement Act 2024, s.37 – Dairy Industry</i>	58,500	58,244	57,139	57,383	57,383
<i>Special Appropriation total</i>	58,500	58,244	57,139	57,383	57,383
Total Program expenses	58,500	58,244	57,139	57,383	57,383

Table 2.1: Budgeted expenses for Outcome 1 (continued)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 1.9: Meat and Livestock Industry					
Administered expenses					
<u>Ordinary annual services</u> <u>(Appropriation Bill (No. 1) and</u> <u>Bill (No. 3))</u>					
Phase out of Live Sheep Exports by Sea - transition support	18,687	24,873	3,340	-	-
Administered total	18,687	24,873	3,340	-	-
<u>Special appropriation</u>					
Primary Industries Levies and Charges Disbursement Act 2024, s.37 – Meat and Livestock Industry	295,025	300,756	308,142	301,225	288,793
Special Appropriation total	295,025	300,756	308,142	301,225	288,793
Total Program expenses	313,712	325,629	311,482	301,225	288,793
Program 1.10: Agricultural Resources					
Administered expenses					
<u>Ordinary annual services</u> <u>(Appropriation Bill (No. 1) and</u> <u>Bill (No. 3))</u>					
Agricultural and Veterinary Chemicals Minor Use Program	153	157	160	164	168
Agriculture 2030 – Improving employment opportunities: Extend the Fair Farms program	195	196	196	197	-
Agriculture 2030 – Supporting Trade: Extend the Improved Access to Agricultural and Veterinary Chemicals program	3,500	-	3,500	-	-
Extend the Improved Access to Agricultural and Veterinary Chemicals program – Grants to Global Minor Use Foundation	50	50	50	50	-

Table 2.1: Budgeted expenses for Outcome 1 (continued)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 1.10: Agricultural Resources (continued)					
Administered expenses (continued)					
<u>Ordinary annual services</u> <u>(Appropriation Bill (No. 1) and</u> <u>Bill (No. 3))</u>					
AgriFutures Australia	10,645	10,931	11,206	11,451	11,598
Foundations for the Agricultural Workforce Package:					
Pilot AgCAREERSTART program	411	-	-	-	-
AgConnections	500	-	-	-	-
National Farm Safety Education Fund	625	1,125	1,000	-	-
Support for Regional Trade Events	9,843	5,573	2,334	-	-
Wine Tourism and Cellar Door Grant	10,000	10,000	10,000	-	-
Supporting Trade and Tourism	-	220	80	-	-
Administered total	35,922	28,252	28,526	11,862	11,766
<u>Payments to corporate entities</u> <u>(Draw-down) (a)</u>					
Australian Pesticides and Veterinary Medicines Authority	7,483	10,450	1,776	1,774	1,795
Payments to corporate entities total	7,483	10,450	1,776	1,774	1,795
<u>Special appropriations</u>					
<i>Agricultural and Veterinary Chemicals (Administration) Act 1992, s.58(6) – amounts payable to the APVMA</i>	45,737	46,996	48,242	49,650	51,140
<i>Primary Industries Levies and Charges Disbursement Act 2024, s.37 – Agricultural Resources</i>	135,499	123,490	119,456	114,539	115,291
Special Appropriation total	181,236	170,486	167,698	164,189	166,431
Total Program expenses	224,641	209,188	198,000	177,825	179,992

Table 2.1: Budgeted expenses for Outcome 1 (continued)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 1.11: Drought Programs					
Administered expenses					
<u>Ordinary annual services</u>					
<u>(Appropriation Bill (No. 1) and Bill (No. 3))</u>					
Future Drought Fund – Administration Costs	203	203	203	203	203
Administered total	203	203	203	203	203
<u>Payments to corporate entities (Draw-down) (a)</u>					
Regional Investment Corporation	22,885	24,663	24,125	24,184	17,078
Payments to corporate entities total	22,885	24,663	24,125	24,184	17,078
<u>Special account</u>					
Agriculture Future Drought Resilience Special Account	127,085	128,900	121,715	82,145	83,200
Special account total	127,085	128,900	121,715	82,145	83,200
<u>Expenses not requiring appropriation in the budget year (b)</u>					
Drought Recovery Concessional Loans Scheme – state administration	-	74	-	-	-
Farm Business Concessional Loans Scheme – discount expenses	64,579	44,437	37,822	37,838	-
Farm Business Concessional Loans Scheme – state administration	980	425	35	-	-
Total	65,559	44,936	37,857	37,838	-
Total Program expenses	215,732	198,702	183,900	144,370	100,481

Table 2.1: Budgeted expenses for Outcome 1 (continued)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 1.12: Rural Programs					
Administered expenses					
<u>Ordinary annual services</u> <u>(Appropriation Bill (No. 1) and</u> <u>Bill (No. 3))</u>					
Rural Financial Counselling Service	21,112	21,484	20,966	21,414	21,338
Administered total	21,112	21,484	20,966	21,414	21,338
<u>Special appropriation</u>					
<i>Farm Household Support Act 2014, s.105 – payments for Farm Household Allowance</i>					
	96,383	113,699	124,928	95,221	62,695
Special Appropriation total	96,383	113,699	124,928	95,221	62,695
<u>Expenses not requiring appropriation in the budget year (b)</u>					
Write down and impairment of assets	5,706	5,706	5,706	5,706	5,706
Total	5,706	5,706	5,706	5,706	5,706
Total Program expenses	123,201	140,889	151,600	122,341	89,739
Program 1.13: International Market Access					
Administered expenses					
<u>Ordinary annual services</u> <u>(Appropriation Bill (No. 1) and</u> <u>Bill (No. 3))</u>					
Food and Agriculture Organization of the United Nations	19,922	20,922	20,922	20,922	20,922
International Organisations Contributions	2,903	2,879	2,914	2,913	2,808
Administered total	22,825	23,801	23,836	23,835	23,730
Total Program expenses	22,825	23,801	23,836	23,835	23,730

Table 2.1: Budgeted expenses for Outcome 1 (continued)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Outcome 1 Departmental					
Departmental appropriation (c)	229,814	238,752	232,769	231,368	222,770
Expenses not requiring appropriation in the budget year (b)	23,513	26,181	22,479	20,167	19,182
Departmental total	253,327	264,933	255,248	251,535	241,952
Total expenses for Outcome 1	1,925,316	1,917,324	1,847,424	1,767,751	1,647,016
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill (No. 1) and Bill (No. 3))	207,850	183,019	129,644	98,557	78,302
Special appropriations	1,235,421	1,254,717	1,271,353	1,266,012	1,218,983
Special accounts	127,085	128,900	121,715	82,145	83,200
Payments to corporate entities (Draw-down)	30,368	35,113	25,901	25,958	18,873
Expenses not requiring appropriation in the Budget year (b)	71,265	50,642	43,563	43,544	5,706
Administered total	1,671,989	1,652,391	1,592,176	1,516,216	1,405,064
Departmental expenses					
Departmental appropriation (c)	229,814	238,752	232,769	231,368	222,770
Expenses not requiring appropriation in the budget year (b)	23,513	26,181	22,479	20,167	19,182
Departmental total	253,327	264,933	255,248	251,535	241,952
Total expenses for Outcome 1	1,925,316	1,917,324	1,847,424	1,767,751	1,647,016

	2025-26	2026-27
Average staffing level (number)	932	936

- (a) The APVMA and the RIC are CCEs under the PGPA Act and do not receive direct appropriations. Instead, this funding passes through the department to these entities.
- (b) 'Expenses not requiring appropriation in the budget year' are made up of depreciation and amortisation expenses, resources received free of charge, concessional loan discount and balance sheet adjustments.
- (c) Departmental appropriation allocations are notional and reflect the current structure of the department. Expenses are funded from both 'ordinary annual services' Appropriation Bill (No. 1) 2026-27 and revenue from independent sources' (receipts retained under section 74 of the PGPA Act).

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as Government priorities change.

Table 2.1: Budgeted expenses for Outcome 1 (continued)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Movement of administered funds between years (a)					
<u>Movements of Funds</u>					
Phase Out of Live Sheep Exports by Sea – transition support	(793)	793	-	-	-
Total of funds moved	(793)	793	-	-	-
The Treasury					
<u>Movements of Funds</u>					
Management of Established Pests and Weeds (SPP 693)	(2,913)	2,913	-	-	-
Total of SPP funds moved	(2,913)	2,913	-	-	-

(a) Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

Table 2.2: Performance measures for Outcome 1

Performance measures for budget year 2025-26 and forward estimates have been published in the DAFF Corporate Plan 2025-26.

Outcome 1 - More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries through policies and initiatives that promote better resource management practices, innovation, self-reliance and improved access to international markets.		
Program 1.1: Agricultural Adaptation Industry Program 1.3: Forestry Industry Program 1.4: Fishing Industry	Program 1.5: Horticulture Industry Program 1.6: Wool Industry Program 1.7: Grains Industry	Program 1.8: Dairy Industry Program 1.9: Meat and Livestock Industry Program 1.10: Agricultural Resources Program 1.12: Rural Programs
Key Activities	1.1 Support sector productivity growth and innovation.	
Year	Performance measures	Expected Performance Results
Current year 2025-26	SG-01 Greater growth in average agricultural productivity (adjusted for climate and weather effects) for the past 10 years compared with average annual market sector productivity growth over the same period.	Greater than or equal to 0% difference over the past 10 years. Expected to be achieved.
	SG-02 Equal or reduced cost of levies administration compared with levies disbursed.	Levies administration cost is less than or equal to 1.2% of levies disbursed. Expected to be achieved.
	SG-03 Proportion of farm businesses making new capital investments.	Increase in percentage of farm businesses making new capital investments compared to previous year (based on a 5-year moving average). Expected to be achieved.
	SG-04 Encourage forestry industry investment in innovation.	Deliver 20% of total committed grant funding for active grants at the end of the financial year. Expected to be partially achieved.
Budget Year 2026-27	SG-01 Greater growth in average agricultural productivity (adjusted for climate and weather effects) for the past 10 years compared with average annual market sector productivity growth over the same period.	Greater than or equal to 0% difference over the past 10 years.
	SG-02 Equal or reduced cost of levies administration compared with levies disbursed. (a)	Targets to be updated after the modernised agricultural levies legislation has been fully implemented in 2025–26. New targets will be published in the 2026–27 corporate plan.
	SG-03 Proportion of farm businesses making new capital investments.	Increase in percentage of farm businesses making new capital investments compared to previous year (based on a 5-year moving average).
	SG-04 Encourage forestry industry investment in innovation. (b)	2025–26 will be the last year of the current measure. A new forestry measure will be published in the 2026–27 corporate plan.

Continued on the following pages

Program 1.1: Agricultural Adaptation Industry Program 1.3: Forestry Industry Program 1.4: Fishing Industry	Program 1.5: Horticulture Industry Program 1.6: Wool Industry Program 1.7: Grains Industry	Program 1.8: Dairy Industry Program 1.9: Meat and Livestock Industry Program 1.10: Agricultural Resources Program 1.12: Rural Programs (continued)
Year	Performance measures	Planned Performance Results
Forward Estimates 2027-29	SG-01 Greater growth in average agricultural productivity (adjusted for climate and weather effects) for the past 10 years compared with average annual market sector productivity growth over the same period.	As for 2026–27.
	SG-02 Equal or reduced cost of levies administration compared with levies disbursed. (a)	Subject to outcome of 2026–27 review. Targets to be updated after the modernised agricultural levies legislation has been fully implemented in 2025–26. New targets will be published in the 2026–27 corporate plan.
	SG-03 Proportion of farm businesses making new capital investments.	As for 2026–27.
	SG-04 Encourage forestry industry investment in innovation. (b)	2025–26 will be the last year of the current measure. A new forestry measure will be published in the 2026–27 corporate plan.
Program 1.13: International Market Access		
Key Activities	1.2 Regulate exports and enable, improve and protect access to international markets.	
Year	Performance measures	Expected Performance Results
Current year 2025-26	SG-05 Open, improve, maintain and restore access to a diverse range of international markets for Australian exporters of agricultural, fisheries and forestry products.	Qualitative examples are provided to demonstrate that different markets and commodities have had their technical access progressed. Expected to be achieved.
	SG-06 Significant representation of Australian interests on multilateral standard setting bodies.	At least one meeting, with in-person attendance, to each of the multilateral trade standard-setting bodies: FAO (IPPC & Codex), OECD, WOA, WTO. Expected to be achieved.
	SG-07 Effective delivery of regulatory responsibilities for relevant export applications under the Export Control Act.	Over 99% of all relevant export applications are completed within the requisite consideration period specified by the <i>Export Control Act 2020</i> . Expected to be achieved.
	SG-08 Increase in the number of paperless exchanges for exports.	3 or more new paperless exchanges. Expected to be partially achieved.
Budget Year 2026-27	SG-05 Open, improve, maintain and restore access to a diverse range of international markets for Australian exporters of agricultural, fisheries and forestry products.	Qualitative examples are provided to demonstrate that different markets and commodities have had their technical access progressed.

Continued on the following pages

Program 1.13: International Market Access (continued)		
Year	Performance measures	Expected Performance Results
Budget Year 2026-27 (continued)	SG-06 Significant representation of Australian interests on multilateral standard setting bodies.	At least one meeting, with in-person attendance, to each of the multilateral trade standard-setting bodies: FAO (IPPC & Codex), OECD, WOA, WTO.
	SG-07 Effective delivery of regulatory responsibilities for relevant export applications under the Export Control Act.	Over 99% of all relevant export applications are completed within the requisite consideration period specified by the <i>Export Control Act 2020</i> .
	SG-08 Increase in the number of paperless exchanges for exports.	3 or more new paperless exchanges.
Forward Estimates 2027-29	SG-05 Open, improve, maintain and restore access to a diverse range of international markets for Australian exporters of agricultural, fisheries and forestry products.	As for 2026–27.
	SG-06 Significant representation of Australian interests on multilateral standard setting bodies.	As for 2026–27.
	SG-07 Effective delivery of regulatory responsibilities for relevant export applications under the Export Control Act.	As for 2026–27.
	SG-08 Increase in the number of paperless exchanges for exports. (a)	Measure and targets to be reviewed in 2027–28.
Program 1.1: Agricultural Adaptation Program 1.2: Sustainable Management – Natural Resources Program 1.11: Drought Programs		
Key Activities	2.1 Promote better resource management practices, sustainability and self-reliance in the agricultural sector. 2.2 Support the agricultural sector to adopt emissions-reduction activities that strengthen productivity and competitiveness.	
Year	Performance measures	Expected Performance Results
Current year 2025-26	RS-01 Increased investment in activities to build economic, social and environmental resilience to drought.	\$105 million of Future Drought Fund funding is invested. Expected to be achieved.
	RS-02 Sustainable farming practices are funded through the Climate-Smart Agriculture Program.	Deliver 100% of 2025–26 funding profile according to agreed milestones for Climate-Smart Agriculture Program. Expected to be achieved.
	RS-03 The proportion of Australian Government managed fish stocks that are sustainable.	The proportion of fish stocks assessed as 'not subject to overfishing' is maintained or increases year-on-year. Expected to be achieved.

Continued on the following page

Program 1.1: Agricultural Adaptation Program 1.2: Sustainable Management – Natural Resources Program 1.11: Drought Programs (continued)		
Year	Performance measures	Planned Performance Results
Current year 2025-26 (continued)	RS-04 Increased pathways to support the understanding and adoption of emissions-reduction opportunities, technologies and practices.	Deliver the Agriculture and Land Sector Plan to government. Deliver 100% of 2025–26 funding profile according to agreed milestones for Budget measures related to emissions-reduction activities. Undertake 2 engagement activities with another country. Expected to be achieved.
Budget Year 2026-27	RS-01 Increased investment in activities to build economic, social and environmental resilience to drought.	\$121 million of Future Drought Fund funding is invested.
	RS-02 Sustainable farming practices are funded through the Climate-Smart Agriculture Program.	Deliver 100% of 2026–27 funding profile according to agreed milestones for Climate-Smart Agriculture Program.
	RS-03 The proportion of Australian Government managed fish stocks that are sustainable.	The proportion of fish stocks assessed as 'not subject to overfishing' is maintained or increases year-on-year.
	RS-04 Increased pathways to support the understanding and adoption of emissions-reduction opportunities, technologies and practices.	Deliver 100% of 2026–27 funding profile according to agreed milestones for Budget measures related to emissions-reduction activities. Undertake 2 engagement activities with another country.
Forward Estimates 2027-29	RS-01 Increased investment in activities to build economic, social and environmental resilience to drought.	\$113 million of Future Drought Fund funding is invested in 2027–28. \$66 million of Future Drought Fund funding is invested in 2028–29.
	RS-02 Sustainable farming practices are funded through the Climate-Smart Agriculture Program. (b)	Deliver 100% of 2027–28 funding profile according to agreed milestones for Climate-Smart Agriculture Program. Program terminates in 2028 and alternative measures will be considered.
	RS-03 The proportion of Australian Government managed fish stocks that are sustainable.	As for 2026–27.
	RS-04 Increased pathways to support the understanding and adoption of emissions-reduction opportunities, technologies and practices.	Deliver 100% of 2027–28 funding profile and 100% of 2028–29 funding profile according to agreed milestones for Budget measures related to emissions-reduction activities. Undertake 2 engagement activities with another country each year.

(a) Targets for the performance measure will be reviewed as part of the Corporate Plan 2026-2027.

(b) Performance measures will be reviewed for the Corporate Plan 2026-2027.

2.2 Budgeted expenses and performance for Outcome 2

Outcome 2: Safeguard Australia’s animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases, through risk assessment, inspection and certification, and the implementation of emergency response arrangements for Australian agricultural, food and fibre industries.

2.2.1: Linked programs

Australian Trade and Investment Commission

Program 1.1: Support Australian exporters to expand internationally, attract productive international investment, and grow the visitor economy

Contribution to Outcome 2 made by linked program:

DAFF, DFAT and Austrade work together to achieve the best outcomes for Australian agricultural, fisheries and forestry exporters.

Commonwealth Scientific and Industrial Research Organisation (CSIRO)

Program 1.1: Scientific and Industrial Research and Infrastructure

Contribution to Outcome 2 made by linked program:

DAFF contributes to the operating costs of the CSIRO’s Australian Centre for Disease Preparedness (formerly the Australian Animal Health Laboratory) for animal disease diagnosis, prevention, and research.

Department of Health, Disability and Ageing

Program 1.8: Health Protection, Emergency Response and Regulation

Contribution to Outcome 2 made by linked program:

DAFF delivers services at Australia’s international borders to manage human biosecurity risks on behalf of the Department of Health, Disability and Ageing in accordance with the requirements of the *Biosecurity Act 2015* and pursuant to a Memorandum of Understanding between the agencies.

2.2.1: Linked programs (continued)

Department of Home Affairs
Program 3.4: Border Enforcement Program 3.2: Border Management
Contribution to Outcome 2 made by linked programs: DAFF and the Department of Home Affairs work collaboratively to advance a prosperous and secure Australia through trade and travel facilitation and modernisation, and effective enforcement activities across the border continuum.
Department of Industry, Science and Resources
Program 1.1: Growing Innovative and Competitive Businesses, Industries and Regions Program 1.2: Investing in Science and Technology Program 1.3: Supporting a Strong Resources Sector
Contribution to Outcome 1 and 2 made by linked programs: The Department of Industry, Science and Resources works collaboratively with DAFF to monitor and manage critical supply chain risks in the agricultural sector, while providing laboratory services and expertise to support the National Residue Survey, Imported Food Inspection Scheme, and other trade enabling activities through the National Measurement Institute.
Department of the Treasury
Program 1.4: Commonwealth-State Financial Relations
Contribution to Outcome 2 made by linked program: The Department of the Treasury contributes to Outcome 2 by making payments through the Federation Funding Agreement Framework on behalf of DAFF, for the following funding agreements: Bolstering Australia’s Biosecurity System – Protecting Australia from Escalating Exotic Animal Disease Risks (SPP900) Building Resilience to Manage Fruit Fly (SPP993) National Plant Health Surveillance Program (SPP857) Pest and Disease Preparedness and Response Programs (SPP188) Boosting HPAI H5N1 Biosecurity Response Capability (SPP1059)

2.2.1: Linked programs (continued)

Food Standards Australia New Zealand
Program 1.1: Food Regulatory Activity and Services to the Minister and Parliament
<p>Contribution to Outcome 2 made by linked program:</p> <p>Food Standards Australia New Zealand provides advice on whether foods pose a medium to high risk to public health to help DAFF to manage the food safety risks associated with imported food for human consumption.</p>
National Indigenous Australians Agency
Program 1.1: Jobs, Land and the Economy
<p>Contribution to Outcome 2 made by linked programs:</p> <p>DAFF and National Indigenous Australians Agency partner with First Nations Ranger groups to deliver biosecurity work that protects Australian agriculture and the northern Australian environment.</p>
Services Australia
<p>Program 1.1 – Strategy and Corporate Enabling</p> <p>Program 1.2 – Customer Service Delivery</p> <p>Program 1.3 – Technology and Transformation</p>
<p>Contribution to Outcome 2 made by linked programs</p> <p>The linked programs contribute to Outcome 2 by administering payments to support eligible students to access tertiary education and making payments to eligible job seekers.</p>

2.2.2: Budgeted expenses for Outcome 2

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

Table 2.3: Budgeted expenses for Outcome 2

Outcome 2: Safeguard Australia's animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases, through risk assessment, inspection and certification, and the implementation of emergency response arrangements for Australian agricultural, food and fibre industries.					
	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 2.1: Biosecurity and Export Services					
Administered expenses					
<u>Ordinary annual services</u>					
<u>(Appropriation Bill (No. 1) and Bill (No. 3))</u>					
Agriculture 2030 – Biosecurity – To ensure Australia continues to have a robust biosecurity preparedness and response capability in the event of a pest and disease outbreak: Surveillance Plant	399	399	-	-	-
Australian Trade System Support – Cultivating Australia's Traceability – Promoting and Protecting Australian Premium Agriculture	6,650	-	-	-	-
Bolstering Australia's Biosecurity System – protecting Australia from escalating exotic animal disease risks:					
Protecting Australia from Escalating Exotic Animal Disease Risks	1,827	-	-	-	-
National Livestock Traceability Reform to Enhance Agricultural Biosecurity and Export	4	20	-	-	-
Centre of Excellence for Biosecurity Risk Analysis and Research	2,090	2,147	2,205	2,253	2,305
Enhancing Australia's Biosecurity System – Priority Pest and Disease Planning and Response	3,054	2,834	3,234	3,234	3,234
Indigenous Rangers Biosecurity Program	1,146	3,310	3,456	3,532	3,613

Table 2.3: Budgeted expenses for Outcome 2 (continued)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 2.1: Biosecurity and Export Services					
Administered expenses					
Live Cattle Trade Disruptions	-	366	-	-	-
Modernising Agricultural Trade – Protecting Australia's Clean, Green Brand	2,000	-	-	-	2,000
Priorities for Australia's Biosecurity System – Environmental Protection Officer	1,298	825	825	825	825
Reducing Regulatory Burden and Streamlining Audit Arrangements in the Dairy Sector	1,500	-	-	-	-
<i>Administered total</i>	19,968	9,901	9,720	9,844	11,977
Total Program expenses	19,968	9,901	9,720	9,844	11,977

Table 2.3: Budgeted expenses for Outcome 2 (continued)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 2.2: Plant and Animal Health					
Administered expenses					
<u>Ordinary annual services</u> <u>(Appropriation Bill (No. 1) and</u> <u>Bill (No. 3))</u>					
Agriculture 2030 – Biosecurity – continue to protect Australia from the biosecurity risk posed by African swine fever	235	-	-	-	-
Animal Biosecurity and Response Reform	1,131	1,160	1,188	1,215	1,242
Commonwealth Membership of Animal Health Australia and Plant Health Australia	3,079	3,163	3,241	3,314	3,390
International Organisations Contribution – World Organisation for Animal Health	572	629	664	664	664
Other Exotic Disease Preparedness Program	751	768	789	806	825
Payment to CSIRO – contribution to the operating costs of the Australian Centre for Disease Preparedness	9,699	9,959	10,209	10,432	10,673
Plant Biosecurity and Response Reform	2,120	1,639	1,682	1,720	1,759
Stronger Farmers, Stronger Economy – strengthening research, skills and management of natural resources – immediate assistance fund	260	2,054	2,107	2,152	2,199
Supporting Australia's Avian Influenza Preparedness and Response	15,502	-	-	-	-
<u>Administered total</u>	33,349	19,372	19,880	20,303	20,752
<u>Special appropriations</u>					
<i>Primary Industries Levies and Charges Disbursement Act 2024, s.52 – Animal Health Australia</i>	11,346	12,237	11,752	11,543	11,417
<i>Primary Industries Levies and Charges Disbursement Act 2024, s.62 – Plant Health Australia</i>	13,235	13,405	13,397	14,116	14,076
<u>Special Appropriation total</u>	24,581	25,642	25,149	25,659	25,493
Total Program expenses	57,930	45,014	45,029	45,962	46,245

Table 2.3: Budgeted expenses for Outcome 2 (continued)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
<u>Outcome 2 Departmental expenses</u>					
Departmental appropriation (b)	576,319	523,538	465,944	452,183	458,750
Expenses not requiring appropriation in the budget year (a)	71,187	85,168	78,726	78,589	79,849
Departmental total	647,506	608,706	544,670	530,772	538,599
<u>Special accounts:</u>					
Biosecurity, Imported Food and Export Certification Special Account 2020	651,311	658,286	696,820	726,352	747,764
National Residue Survey Special Account – s.80, PGPA Act [s.64, <i>Primary Industries Levies and Charges Disbursement Act 2024</i>]	13,399	14,512	13,795	13,807	13,548
Special Account total	664,710	672,798	710,615	740,159	761,312
Total departmental expenses for Outcome 2	1,312,216	1,281,504	1,255,285	1,270,931	1,299,911
Outcome 2 Totals by appropriation type					
<u>Administered expenses</u>					
Ordinary annual services (Appropriation Bill (No. 1) and Bill (No. 3))	53,317	29,273	29,600	30,147	32,729
Special appropriations	24,581	25,642	25,149	25,659	25,493
Administered total	77,898	54,915	54,749	55,806	58,222
<u>Departmental expenses</u>					
Departmental appropriation (b)	576,319	523,538	465,944	452,183	458,750
Special accounts	664,710	672,798	710,615	740,159	761,312
Expenses not requiring appropriation (a)	71,187	85,168	78,726	78,589	79,849
Departmental total	1,312,216	1,281,504	1,255,285	1,270,931	1,299,911
Total expenses for Outcome 2	1,390,114	1,336,419	1,310,034	1,326,737	1,358,133
Average staffing level (number) (c)					
	2025-26	2026-27			
	5,629	5,718			

(a) Expenses not requiring appropriation in the budget year are made up of depreciation and amortisation expenses, resources received free of charge, concessional loan discount and balance sheet adjustments.

(b) Departmental appropriation allocations are notional and reflect the current structure of the department. Expenses are funded from both 'ordinary annual services' Appropriation Bill (No. 1) 2026-27 and 'revenue from independent sources' (receipts retained under section 74 of the PGPA Act).

(c) Increase reflects the impact of demand-driven cost-recovered regulatory activities.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as Government priorities change.

Table 2.3: Budgeted expenses for Outcome 2 (continued)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Movement of administered funds between years (a)					
<u>Movements of Funds:</u>					
National Livestock Traceability Reform to enhance Agricultural Biosecurity and Export	(211)	211	-	-	-
Total of funds moved	(211)	211	-	-	-
The Treasury					
<u>Movements of Funds: (a)</u>					
Building Resilience to Manage Fruit Fly (SPP993)	(3,710)	3,710	-	-	-
Total of SPP funds moved	(3,710)	3,710	-	-	-

(a) Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represents an increase in funds.

Table 2.4: Performance measures for Outcome 2

Performance measures for budget year 2025-26 and forward estimates have been published in the DAFF Corporate Plan 2025-26.

<p>Outcome 2 - Safeguard Australia’s animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases, through risk assessment, inspection and certification, and the implementation of emergency response arrangements for Australian agricultural, food and fibre industries.</p>		
<p>Program 2.1: Biosecurity and Export Services Program 2.2: Plant and Animal Health</p>		
Key Activities	<p>3.1 Effectively prepare for the management of biosecurity risks, imported food and human health through risk assessment, pre-border controls and assurance programs, inspection, treatment, certification and education.</p> <p>3.2 Regulate to safeguard Australia’s animal, plant, human health, environmental and food safety status by inspecting, detecting and minimising biosecurity risks at the border.</p> <p>3.3 Protect the economy and environment from the impact of exotic pests and diseases in Australia through appropriate post-border measures, including regulation and emergency management capabilities.</p> <p>3.4 Manage non-compliance with biosecurity and other relevant portfolio legislation.</p>	
Year	Performance measures	Expected Performance Results
Current year 2025-26	BI-01 The import permit service standard is met.	90% or more of Category 1 permit applications are processed and finalised within 20 business days. 50% or more of categories 2 to 5 applications are processed and finalised within 40 business days. Expected to be achieved.
	BI-02 Number of pre-border biosecurity assurance arrangements established or maintained with exporting countries.	Government-to-government and/or government-to-industry arrangements with at least 17.5% of countries in the world. Expected to be achieved.
	BI-03 Targeted public communication and engagement activities.	Conduct at least 2 targeted biosecurity awareness campaigns per financial year. Expected to be achieved.
	BI-04 Effectiveness of the Compliance-Based Intervention Scheme (CBIS) for risk-based intervention.	50% or less of CBIS-processed consignment lines are selected for higher intervention, reflecting ongoing compliance with import conditions. Expected to be achieved.

Continued on the following pages

Table 2.4: Performance measure for Outcome 2 (continued)

Program 2.1: Biosecurity and Export Services (continued)		
Year	Performance measures	Expected Performance Results
Current year 2025-26 (continued)	BI-05 Rates of non-compliance with regulations administered by the department that apply to high-value cargo.	Reduction in high-value cargo non-compliance rate. Expected to be achieved.
	BI-06 Rates of non-compliance with regulations administered by the department that apply to international travellers.	Post-intervention non-compliance rate for international travellers that is less than 4%. Expected to be achieved.
	BI-07 Rates of non-compliance with regulations administered by the department that apply to approved arrangements.	Reduction in non-compliance rate for approved arrangements. Target not expected to be achieved.
	BI-08 Strengthened emergency management capabilities.	An overall maturity increase of at least 30% compared to the 2023–24 baseline result. Expected to be achieved.
	BI-09 Investigate and respond to incidents of high-risk non-compliance through compliance and enforcement measures.	100% of instances of high-risk non-compliance identified against the Biosecurity Act, Export Control Act and other relevant portfolio legislation are subject to enforcement action. Expected to be achieved.
Budget Year 2026-27	BI-01 The import permit service standard is met.	90% or more of Category 1 permit applications are processed and finalised within 20 business days. 90% or more of categories 2 to 5 applications are processed and finalised within 40 business days.
	BI-02 Number of pre-border biosecurity assurance arrangements established or maintained with exporting countries.	Government-to-government and/or government-to-industry arrangements with at least 18% of countries in the world.
	BI-03 Targeted public communication and engagement activities.	Conduct at least 2 targeted biosecurity awareness campaigns per financial year.
	BI-04 Effectiveness of the Compliance-Based Intervention Scheme (CBIS) for risk-based intervention.	50% or less of CBIS-processed consignment lines are selected for higher intervention, reflecting ongoing compliance with import conditions.
	BI-05 Rates of non-compliance with regulations administered by the department that apply to high-value cargo.	Reduction in high-value cargo non-compliance rate.

Continued on the following page

Table 2.4: Performance measure for Outcome 2 (continued)

Program 2.1: Biosecurity and Export Services (continued)		
Year	Performance measures	Expected Performance Results
Budget Year 2026-27 (continued)	BI-06 Rates of non-compliance with regulations administered by the department that apply to international travellers.	Post-intervention non-compliance rate for international travellers that is less than 4%.
	BI-07 Rates of non-compliance with regulations administered by the department that apply to approved arrangements.	Reduction in non-compliance rate for approved arrangements.
	BI-08 Strengthened emergency management capabilities.	An overall maturity increase of at least 45% compared to the 2023–24 baseline result.
	BI-09 Investigate and respond to incidents of high-risk non-compliance through compliance and enforcement measures.	100% of instances of high-risk non-compliance identified against the Biosecurity Act, Export Control Act and other relevant portfolio legislation are subject to enforcement action.
Forward Estimates 2027-29	BI-01 The import permit service standard is met.	As for 2026–27.
	BI-02 Number of pre-border biosecurity assurance arrangements established or maintained with exporting countries.	Government-to government and/or government-to-industry arrangements with at least 18.5% of countries in the world by 2027–28 and 19% of countries in the world by 2028–29.
	BI-03 Targeted public communication and engagement activities.	As for 2026–27.
	BI-04 Effectiveness of the Compliance-Based Intervention Scheme (CBIS) for risk-based intervention. (a)	The effectiveness of the measure will be reviewed in 2027–28 and new targets determined.
	BI-05 Rates of non-compliance with regulations administered by the department that apply to high-value cargo.	As for 2026–27.
	BI-06 Rates of non-compliance with regulations administered by the department that apply to international travellers.	As for 2026–27.
	BI-07 Rates of non-compliance with regulations administered by the department that apply to approved arrangements.	As for 2026–27.
	BI-08 Strengthened emergency management capabilities.	Maintain a maturity level greater than or equal to 3 (established).
	BI-09 Investigate and respond to incidents of high-risk non-compliance through compliance and enforcement measures.	As for 2026–27.

(a) Targets for the performance measure will be reviewed as part of the Corporate Plan 2026-2027.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026-27 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1: Differences between entity resourcing and financial statements

There are no material differences between the entity resourcing and the financial statements.

3.1.2: Explanatory notes and analysis of budgeted financial statements

An analysis of the department's budgeted financial statements, which consist of the budgeted departmental statements and administered schedules, is provided below.

Budgeted departmental comprehensive income statement

The department is budgeting for a deficit of \$48.1 million in 2025-26 and \$7.9 million in 2026-27 due to timing of expenditure for IT system builds. The department will draw on related prior year unspent funding to offset these deficits, and this will not impact the department's financial sustainability. Excluding this timing difference, the department continues to budget for a break-even position each year.

Revenue from government remains relatively stable at \$723.8 million, with own source revenue expected to increase annually from 2027-28 reflecting the department's regulatory effort recovered through cost recovered arrangements.

Budget departmental balance sheet

The budgeted departmental balance sheet (Table 3.2) shows the estimated end of year position for departmental assets and liabilities.

Total departmental assets budgeted for in 2026-27 of \$1,109.3 million is comprised of \$711.5 million in non-financial assets and \$397.8 million financial assets. The department's major non-financial assets include right of use assets (leases) relating to buildings and computer software.

Total departmental liabilities budgeted for in 2026-27 of \$753.7 million, comprises of \$396.5 million in interest-bearing liabilities, \$263.1 million in provisions and \$94.2 million in payables. The department's provisions remain steady, and the payables minimally fluctuate over the forward estimates with the timing payments at year end, slightly offset by a decrease in interest bearing liabilities relating to the leased buildings.

The department's net asset position is expected to decrease across the forward estimate period mainly due to decreases in the department's non-financial assets.

Administered

Schedule of budgeted income and expenses administered on behalf of Government

Budgeted expenses administered on behalf of government decrease across the forwards, reflecting the impact of measures as detailed in Table 1.2.

Schedule of budgeted assets and liabilities administered on behalf of Government

The Administered net assets position is expected to increase by \$81.1 million in 2026-27, mainly due to the increased receivables relating to the Regional Investment Corporations loans.

3.2 Budgeted financial statements tables

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
EXPENSES					
Employee benefits	913,213	946,389	969,461	991,954	1,014,051
Suppliers	515,630	447,926	402,051	395,080	389,659
Depreciation and amortisation	120,089	130,821	123,888	120,536	123,257
Finance costs	15,692	20,382	14,214	13,977	13,977
Impairment loss on financial instruments	919	919	919	919	919
Total expenses	1,565,543	1,546,437	1,510,533	1,522,466	1,541,863
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	650,791	670,797	695,547	720,908	742,603
Rental Income	2,837	2,854	2,742	2,779	-
Interest	729	746	746	746	746
Other revenue	43,627	29,018	33,453	33,091	29,789
Total own-source revenue	697,984	703,415	732,488	757,524	773,138
Gains					
Other	690	530	530	530	530
Total gains	690	530	530	530	530
Total own-source income	698,674	703,945	733,018	758,054	773,668
Net cost of (contribution by) services	(866,869)	(842,492)	(777,515)	(764,412)	(768,195)
Revenue from Government	724,717	723,805	676,840	666,186	669,694
Surplus/(deficit) attributable to the Australian Government	(142,152)	(118,687)	(100,675)	(98,226)	(98,501)
OTHER COMPREHENSIVE INCOME					
Total comprehensive income/(loss)	(142,152)	(118,687)	(100,675)	(98,226)	(98,501)
Total comprehensive income/(loss) attributable to the Australian Government	(142,152)	(118,687)	(100,675)	(98,226)	(98,501)

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)**Note: Impact of net cash appropriation arrangements**

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of comprehensive income	(142,152)	(118,687)	(100,675)	(98,226)	(98,501)
plus: depreciation/amortisation expenses previously funded through revenue appropriations (a)	85,499	96,825	91,721	90,593	92,717
plus: depreciation/amortisation expenses for ROU assets (b)	34,590	33,996	32,167	29,943	30,540
less: principal repayments on leased assets (b)	(26,079)	(20,002)	(23,213)	(22,310)	(24,756)
Net Cash Operating Surplus/(Deficit)	(48,142)	(7,868)	-	-	-

Prepared on Australian Accounting Standards basis.

- (a) From 2010-11, the Government introduced net cash appropriation arrangements that provided non-corporate Commonwealth entities with a separate Departmental Capital Budget (DCB) under Appropriation Bill (No. 1). This replaced revenue appropriations provided under Appropriation Bill (No. 1) used for the depreciation/amortisation expenses. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
- (b) Applies to leases under AASB 16 Leases. Right of Use (ROU).

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	72,754	72,754	72,754	72,754	72,754
Trade and other receivables	362,707	309,088	306,509	299,955	301,974
Other investments	16,000	16,000	16,000	16,000	16,000
Total financial assets	451,461	397,842	395,263	388,709	390,728
Non-financial assets					
Land and buildings	394,983	376,788	357,234	336,171	310,640
Property, plant and equipment	42,759	45,326	49,512	48,565	49,171
Intangibles & computer	286,299	281,499	266,536	261,191	259,172
Inventories	1,929	1,929	1,929	1,929	1,929
Prepayments	6,478	5,990	6,228	6,228	6,228
Total non-financial assets	732,448	711,532	681,439	654,084	627,140
Total assets	1,183,909	1,109,374	1,076,702	1,042,793	1,017,868
LIABILITIES					
Payables					
Suppliers	70,054	65,475	61,621	59,770	66,459
Other payables	56,771	28,702	35,169	35,319	35,399
Total payables	126,825	94,177	96,790	95,089	101,858
Interest bearing liabilities					
Leases	405,561	396,459	384,746	374,636	363,880
Total interest bearing liabilities	405,561	396,459	384,746	374,636	363,880
Provisions					
Employee provisions	244,028	252,326	257,372	262,519	267,769
Other provisions	10,786	10,786	10,786	10,786	10,786
Total provisions	254,814	263,112	268,158	273,305	278,555
Total liabilities	787,200	753,748	749,694	743,030	744,293
Net assets	396,709	355,626	327,008	299,763	273,575
EQUITY*					
Contributed equity	1,185,779	1,263,383	1,335,440	1,406,421	1,478,734
Reserves	669,731	669,731	669,731	669,731	669,731
Retained surplus / (accumulated deficit)	(1,458,801)	(1,577,488)	(1,678,163)	(1,776,389)	(1,874,890)
Total equity	396,709	355,626	327,008	299,763	273,575

Prepared on Australian Accounting Standards basis.

*'Equity' is the residual interest in assets after deduction of liabilities.

Table 3.3: Departmental statement of changes in equity – summary of movement (Budget year 2026-27)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2026					
Balance carried forward from previous period	(1,458,801)	594,205	75,526	1,185,779	396,709
Adjusted opening balance	(1,458,801)	594,205	75,526	1,185,779	396,709
Comprehensive income					
Surplus/(deficit) for the period	(118,687)	-	-	-	(118,687)
Total comprehensive income/(loss)	(118,687)	-	-	-	(118,687)
Transactions with owners					
Contributions by owners					
Equity injection - Appropriation	-	-	-	10,097	10,097
Departmental capital budget (DCB)	-	-	-	67,507	67,507
Sub-total transactions with owners	-	-	-	77,604	77,604
Estimated closing balance as at 30 June 2027	(1,577,488)	594,205	75,526	1,263,383	355,626
Closing balance attributable to the Australian Government	(1,577,488)	594,205	75,526	1,263,383	355,626

Prepared on Australian Accounting Standards basis.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	792,783	765,258	679,446	672,740	667,675
Sale of goods and rendering of services	646,456	673,009	697,343	722,768	741,684
Interest	729	746	746	746	746
Net GST received	53,229	53,229	53,229	53,229	53,229
Other	43,627	29,018	33,453	33,091	29,789
Total cash received	1,536,824	1,521,260	1,464,217	1,482,574	1,493,123
Cash used					
Employees	907,847	966,160	957,948	986,657	1,008,721
Suppliers	515,219	451,487	405,613	396,401	382,440
Net GST paid	53,229	53,229	53,229	53,229	53,229
Interest payments on lease liabilities	15,692	20,382	14,214	13,977	13,977
Total cash used	1,491,987	1,491,258	1,431,004	1,450,264	1,458,367
Net cash from/(used by) operating activities	44,837	30,002	33,213	32,310	34,756
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of financial instruments	16,000	16,000	16,000	16,000	16,000
Total cash received	16,000	16,000	16,000	16,000	16,000
Cash used					
Construction/purchase of property, plant and equipment	154,691	99,493	82,057	80,981	82,313
Purchase of financial instruments	16,000	16,000	16,000	16,000	16,000
Total cash used	170,691	115,493	98,057	96,981	98,313
Net cash from/(used by) investing activities	(154,691)	(99,493)	(82,057)	(80,981)	(82,313)

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June) (continued)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Appropriations	135,933	89,493	72,057	70,981	72,313
Total cash received	135,933	89,493	72,057	70,981	72,313
Cash Used					
Principal payments on lease liabilities	26,079	20,002	23,213	22,310	24,756
Total cash used	26,079	20,002	23,213	22,310	24,756
Net cash from/(used by) financing activities	109,854	69,491	48,844	48,671	47,557
Net increase/(decrease) in cash held					
Cash and cash equivalents at the beginning of the reporting period	72,754	72,754	72,754	72,754	72,754
Cash and cash equivalents at the end of the reporting period	72,754	72,754	72,754	72,754	72,754

Prepared on Australian Accounting Standards basis

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill (No. 1) (DCB)	68,144	67,507	69,438	70,256	71,155
Equity injections - Bill (No. 2)	58,093	10,097	2,619	725	1,158
Total new capital appropriations	126,237	77,604	72,057	70,981	72,313
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	<i>126,237</i>	<i>77,604</i>	<i>72,057</i>	<i>70,981</i>	<i>72,313</i>
Total items	126,237	77,604	72,057	70,981	72,313
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	56,887	21,986	2,619	725	1,158
Funded by capital appropriations – DCB (b)	87,804	67,507	69,438	70,256	71,155
Funded internally from departmental resources (c)	10,000	10,000	10,000	10,000	10,000
TOTAL	154,691	99,493	82,057	80,981	82,313
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	154,691	99,493	82,057	80,981	82,313
Total cash used to acquire assets	154,691	99,493	82,057	80,981	82,313

Prepared on Australian Accounting Standards basis.

- (a) Includes current Appropriation Bill (No. 2) and prior year Appropriation Act No. 2/4/6 due to approved movement of funds.
- (b) Does not include annual finance lease costs. Includes purchases from current and previous years' DCB.
- (c) Includes the following sources of funding:
- s74 external receipts;
 - internally developed assets; and
 - proceeds from the sale of assets.

Table 3.6: Statement of departmental asset movements (Budget year 2026-27)

	Land	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2026					
Gross book value	2,885	136,611	59,530	540,084	739,110
Gross book value - ROU assets (a)	-	418,564	20,332	-	438,896
Accumulated depreciation/ amortisation and impairment	-	(23,507)	(22,665)	(253,785)	(299,957)
Accumulated depreciation/ amortisation and impairment - ROU assets (a)	-	(139,570)	(14,438)	-	(154,008)
Opening net book balance	2,885	392,098	42,759	286,299	724,041
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase - appropriation (b)	-	23,802	13,152	62,539	99,493
By purchase – appropriation – ROU (a) (b)	-	5,000	5,900	-	10,900
Total additions	-	28,802	19,052	62,539	110,393
Other movements					
Depreciation/amortisation expense	-	(18,876)	(10,610)	(67,339)	(96,825)
Depreciation/amortisation on ROU assets (a)	-	(28,121)	(5,875)	-	(33,996)
Total other movements	-	(46,997)	(16,485)	(67,339)	(130,821)
As at 30 June 2027					
Gross book value	2,885	160,413	72,682	602,623	838,603
Gross book value - ROU assets (a)	-	423,564	26,232	-	449,796
Accumulated depreciation/ amortisation and impairment	-	(42,383)	(33,275)	(321,124)	(396,782)
Accumulated depreciation/ amortisation and impairment - ROU assets (a)	-	(167,691)	(20,313)	-	(188,004)
Closing net book balance	2,885	373,903	45,326	281,499	703,613

Prepared on Australian Accounting Standards basis.

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) Appropriation refers to funding provided through the Appropriation Bill (No. 1) 2026-27 for depreciation/amortisation expenses, DCB or other operational expenses.

Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Suppliers	82,798	57,414	54,572	45,648	44,325
Personal benefits	96,383	113,699	124,928	95,221	62,695
Grants	268,192	246,839	191,234	130,451	149,906
Levy disbursements and Commonwealth contributions	1,163,619	1,166,660	1,171,574	1,196,450	1,181,781
Federation Reform Fund	38,242	37,438	35,188	34,750	-
Concessional loan discount	64,579	44,437	37,822	37,838	-
Write-down and impairment of assets	5,706	5,706	5,706	5,706	5,706
Payments to corporate entities	30,368	35,113	25,901	25,958	18,873
Total expenses administered on behalf of Government	1,749,887	1,707,306	1,646,925	1,572,022	1,463,286
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Taxation revenue					
Other taxes	673,466	671,348	709,826	736,929	727,015
Total taxation revenue	673,466	671,348	709,826	736,929	727,015
Non-taxation revenue					
Interest	214,462	227,658	234,108	252,082	261,811
Agriculture Future Drought Resilience Special Account	100,000	88,800	97,000	79,000	83,200
Other revenue	8,836	8,836	8,836	8,836	8,836
Total non-taxation revenue	323,298	325,294	339,944	339,918	353,847
Total own-source revenue administered on behalf of Government	996,764	996,642	1,049,770	1,076,847	1,080,862
Total income	996,764	996,642	1,049,770	1,076,847	1,080,862
Net cost of/(contribution by) services	753,123	710,664	597,155	495,175	382,424
Surplus/(deficit)	(753,123)	(710,664)	(597,155)	(495,175)	(382,424)
Total comprehensive income/(loss) attributable to the Australian Government	(753,123)	(710,664)	(597,155)	(495,175)	(382,424)

Prepared on Australian Accounting Standards basis.

Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	99,561	59,461	34,746	4,101	4,101
Loan receivables	3,275,607	3,387,932	3,522,590	3,511,495	2,861,270
Trade and other receivables	171,876	176,529	183,049	185,302	187,032
Investments accounted for using the equity method	1,092,909	1,093,615	1,093,615	1,093,615	1,093,953
Total financial assets	4,639,953	4,717,537	4,834,000	4,794,513	4,146,356
Non-financial assets					
Other non-financial assets	2,005	1,506	1,471	1,471	1,471
Total non-financial assets	2,005	1,506	1,471	1,471	1,471
Total assets administered on behalf of Government	4,641,958	4,719,043	4,835,471	4,795,984	4,147,827
LIABILITIES					
Payables					
Suppliers	3,411	3,411	3,411	3,411	3,411
Grants	122,915	118,870	122,276	128,375	135,171
Personal benefits	1,647	1,647	1,647	1,647	1,647
Total payables	127,973	123,928	127,334	133,433	140,229
Provisions					
Loans commitments to Farm Business	25,000	25,000	25,000	25,000	25,000
Total provisions	25,000	25,000	25,000	25,000	25,000
Total liabilities administered on behalf of Government	152,973	148,928	152,334	158,433	165,229
Net assets/(liabilities)	4,488,985	4,570,115	4,683,137	4,637,551	3,982,598

Prepared on Australian Accounting Standards basis.

Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Taxes	673,366	671,248	709,726	736,929	727,015
Special account transfers	100,000	88,800	97,000	79,000	83,200
Net GST received	72,819	72,819	72,819	72,819	72,819
Other Operating Receipts	8,836	8,836	8,836	8,836	8,836
Total cash received	855,021	841,703	888,381	897,584	891,870
Cash used					
Grants	1,549,887	1,527,801	1,467,409	1,428,371	1,397,710
Personal benefits	103,965	121,281	132,510	100,927	70,277
Suppliers	81,818	56,915	54,537	45,648	44,325
Payments to corporate entities	30,368	35,113	25,901	25,958	18,873
Total cash used	1,766,038	1,741,110	1,680,357	1,600,904	1,531,185
Net cash from/(used by) operating activities	(911,017)	(899,407)	(791,976)	(703,320)	(639,315)
INVESTING ACTIVITIES					
Cash received					
Interest received from advances and loans	163,903	169,589	170,857	188,857	202,403
Repayments of advances and loans	108,691	231,964	219,561	367,562	709,779
Total cash received	272,594	401,553	390,418	556,419	912,182
Cash used					
Advances and loans made	464,888	333,334	333,334	333,333	-
Corporate entity investments	338	706	-	-	338
Total cash used	465,226	334,040	333,334	333,333	338
Net cash from / (used by) investing activities	(192,632)	67,513	57,084	223,086	911,844
Net increase/(decrease) in cash held	(1,103,649)	(831,894)	(734,892)	(480,234)	272,529
Cash and cash equivalents at beginning of reporting period	126,646	99,561	59,461	34,746	4,101
Cash from Official Public Account for:					
Appropriations	1,561,551	1,535,515	1,481,241	1,415,734	1,370,922
Administered assets and liabilities	465,226	333,334	333,334	333,333	-
Total cash from Official Public Account	2,026,777	1,868,849	1,814,575	1,749,067	1,370,922
Cash to Official Public Account for:					
- Appropriations	(950,213)	(1,077,055)	(1,104,398)	(1,299,478)	(1,643,451)
Total cash to Official Public Account	(950,213)	(1,077,055)	(1,104,398)	(1,299,478)	(1,643,451)
Cash and cash equivalents at end of reporting period	99,561	59,461	34,746	4,101	4,101

Prepared on Australian Accounting Standards basis.

Table 3.10: Schedule of administered capital budget statement (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Administered Assets and Liabilities - Bill (No. 2)	327,790	333,334	333,334	333,333	-
Total new capital appropriations	327,790	333,334	333,334	333,333	-
Provided for:					
<i>Other Items</i>	327,790	333,334	333,334	333,333	-
Total items	327,790	333,334	333,334	333,333	-

Prepared on Australian Accounting Standards basis.

Table 3.11: Statement of administered asset movements (Budget year 2026-27)

The department has no administered asset movements therefore Table 3.11 is not presented.

AgriFutures Australia

Entity resources and planned performance

AgriFutures Australia

Section 1: Entity overview and resources	73
1.1 Strategic direction statement.....	73
1.2 Entity resource statement.....	76
1.3 Budget measures	78
Section 2: Outcomes and planned performance	79
2.1 Budgeted expenses and performance for Outcome 1	80
Section 3: Budgeted financial statements	86
3.1 Budgeted financial statements	86
3.2 Budgeted financial statements tables	87

AgriFutures Australia

Section 1: Entity overview and resources

1.1 Strategic direction statement

AgriFutures Australia (AgriFutures) is the trading name for the Rural Industries Research and Development Corporation (RIRDC). AgriFutures is one of 15 Research Development Corporations (RDCs) that service the Research, Development and Extension (RD&E) needs of Australian rural industries. We represent the research needs for 13 thriving rural industries (chicken meat, rice, honey bee and pollination, ginger, tea tree oil, pasture seeds, export fodder, thoroughbred horses, kangaroo, buffalo, deer, goat fibre and ratite).

With a head office in Wagga Wagga, NSW, AgriFutures has a unique role among the RDCs as we are also responsible for investing into building the leadership skills of those who work in the industry, researching issues that affect the whole of agriculture, identifying and supporting emerging rural industries and engaging in the global agrifood system.

AgriFutures' vision is to grow the long-term prosperity of Australian rural industries and communities through:

- Investing in RD&E programs to meet the current challenges and future needs for our 13 rural industries.
- Investing in RD&E which aims to drive the growth and development of emerging, high potential agricultural rural industries such as sesame, industrial hemp, saltwater crocodile, insects, truffles, coffee and hazelnuts.
- Developing and delivering programs that respond to the specific workforce and leadership needs of those working in the Australian agricultural sector.
- Delivering programs that futureproof Australian rural industries by identifying and responding to national challenges and opportunities which impact the Australian agricultural sector.
- Engaging with the global agrifood innovation system to ensure Australia is a leader in accessing, adopting, developing and exporting agrifood technologies and innovation.

We work alongside our levied industries and other stakeholders. These partnerships allow us to bring together different capabilities, knowledge, skills and experience to facilitate the wider adoption of research outputs and outcomes.

We embrace a commercial approach to research and innovation that results in practice change on-farm, across rural industries and within regional communities.

As outlined in AgriFutures Australia Research and Innovation Strategic Plan 2022–2027 published on 1 July 2022, AgriFutures has designed the AgriFutures’ 16:5:5 Roadmap - a simple, decisive set of priorities, centred around two important audiences - our levied industries and Australian rural industries.

The 16:5:5 Roadmap consists of sixteen priorities across five focus areas to be delivered over five years (2022–2027).

Focus Area: Our Industries

In partnership with each of our industries, create value by:

1. Maximising the return on investment for R&D levies.
2. Listening to, engaging, collaborating, and consulting with our industries.
3. Delivering research and innovation that addresses the specific needs of each of our industries.
4. Supporting our industries to prepare for and thrive into the future.
5. Identifying, linking, and testing new technologies, practices, and innovations with the potential for our industries to uptake and adopt.
6. Assisting our industries to enhance their industry stewardship and build community and consumer confidence.

Focus Area: Emerging Industries

Grow the value and diversity of Australia’s rural economy by:

7. Driving the growth or development of emerging, high-potential rural industries.
8. Identifying new revenue streams.

Focus Area: Workforce and Leadership

Assist in the development of the agricultural workforce by:

9. Understanding and responding to the future workforce needs of Australia’s rural industries.
10. Attracting and retaining a workforce that will ensure Australia’s rural industries are future ready.

11. Supporting people in Australia’s rural industries to build their motivation and skills to lead change.
12. Responding to the specific workforce and leadership needs of our levied and emerging industries.

Focus Area: National Challenges and Opportunities

Future-proof Australian rural industries by:

13. Identifying, understanding, and responding to national challenges and opportunities impacting Australian rural industries.
14. Facilitating collaboration across sectors and organisations including other RDCs and Agricultural Innovation Australia (AIA).
15. Fostering responsible industry stewardship and building community trust.

Focus Area: Global Innovation Networks

Engage with the global agrifood innovation system by:

16. Ensuring Australia is a leader in accessing and adopting, as well as developing and exporting agrifood technologies and innovation.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (Government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity’s operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4: Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the ‘Budgeted expenses by Outcome’ tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: AgriFutures Australia resource statement – Budget estimates for 2026-27 as at Budget May 2026

	2025-26 <i>Estimated actual</i> \$'000	2026-27 Estimate \$'000
Opening balance/cash reserves at 1 July	52,206	48,197
Funds from Government		
Special appropriations (a)		
<i>Primary Industries Levies and Charges Disbursement Act 2024 – s37 Agricultural Resources</i>	38,629	33,322
Total special appropriations	38,629	33,322
Amounts received from related entities		
Amounts from portfolio department (b)	10,645	10,931
Total amounts received from related entities	10,645	10,931
Total funds from Government	49,274	44,253
Funds from industry sources		
Levies (c)	6551	4,543
<i>less amounts paid to the CRF</i>	(6,551)	(4,543)
Total funds from industry sources	-	-
Funds from other sources		
Interest	1,917	1,950
Royalties	268	500
Grants	4,873	5,000
Other	108	200
Total funds from other sources	7,166	7,650
Total net resourcing for AgriFutures	108,646	100,100

	2025-26	2026-27
Average staffing level (number)	86	86

- (a) AgriFutures' special appropriation is not directly appropriated as it is a corporate Commonwealth entity (CCE) under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Appropriation is made to the Department of Agriculture, Fisheries and Forestry (DAFF) and are then paid to AgriFutures and are considered departmental for all purposes.
- (b) Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills as a payment to that CCE (for example, a grant awarded to a CCE from one of its portfolio department's administered programs).
- (c) The levies are imposed by the *Primary Industries (Excise) Levies Act 2024*, or the *Primary Industries (Services) Levies Act 2024*, and charges imposed under the *Primary Industries (Customs) Charges Act 2024*. The levies are collected by DAFF under the *Primary Industries Levies and Charges Collection Act 2024* and the *Primary Industries Levies and Charges Collection Rules 2024* and transferred to the Consolidated Revenue Fund (CRF). These amounts are then drawn down by the department as a special appropriation and paid to AgriFutures under the *Primary Industries Levies and Charges Disbursement Act 2024 – s37 Agricultural Resources*.

Please note: All figures shown above are GST exclusive – these may not match figures in the cash flow statement.

Prepared on a resourcing (i.e. appropriations available) basis.

1.3 Budget measures

Budget measures in Part 1 relating to AgriFutures Australia are detailed in *Budget Paper No. 2* and are summarised below.

Table 1.2: AgriFutures Australia 2026-27 Budget measures

Part 1: Measures announced since the 2025-26 Mid-Year Economic and Fiscal Outlook (MYEFO)

AgriFutures Australia does not have any 2026-27 Budget measures.

Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which Government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to Government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide a complete picture of an entity's planned and actual performance.

The most recent corporate plan and annual performance statement for AgriFutures can be found at:

<http://www.agrifutures.com.au/about/corporate-documents/>

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Growth in the long-term prosperity of Australian rural industries by investing, through partnerships with industry, in research, development, extension, and commercialisation that fosters sustainable and profitable existing and emerging rural industries, and cross sector opportunities and challenges.

2.1.1 Linked programs

Department of Agriculture, Fisheries and Forestry
Program 1.10: Agricultural Resources
Contribution to Outcome 1 made by linked program: AgriFutures works together with DAFF to ensure sustainable, productive and profitable rural industries.

2.1.2: Budgeted expenses for Outcome 1

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: Growth in the long-term prosperity of Australian rural industries by investing, through partnerships with industry, in research, development, extension, and commercialisation that fosters sustainable and profitable existing and emerging rural industries, and cross sector opportunities and challenges.

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 1.1: Rural Industries Research and Development Corporation					
Revenue from Government					
Payment from related entities	10,645	10,931	11,206	11,451	11,598
Special appropriations					
<i>Primary Industries Levies and Charges Disbursement Act 2024 – s37 Agricultural Resources</i>	27,192	28,279	29,400	30,575	31,800
Revenues from industry sources	6,551	4,543	5,609	5,626	5,652
Revenues from other independent sources	10,472	8,100	7,950	7,700	7,550
Expenses not requiring appropriation in the Budget year (a)	6,000	6,000	5,200	5,200	-
Total expenses for program 1.1	60,860	57,853	59,365	60,552	56,600
Outcome 1 totals by resource type					
Revenue from Government					
Payment from related entities	10,645	10,931	11,206	11,451	11,598
Special appropriations	27,192	28,279	29,400	30,575	31,800
Revenues from industry sources	6,551	4,543	5,609	5,626	5,652
Revenues from other independent sources	10,472	8,100	7,950	7,700	7,550
Expenses not requiring appropriation in the Budget year (a)	6,000	6,000	5,200	5,200	-
Total expenses for Outcome 1	60,860	57,853	59,365	60,552	56,600
	2025-26	2026-27			
Average staffing level (number)	86	86			

(a) 'Expenses not requiring appropriation in the budget year' are made up of make good expenses, audit fees, and can include depreciation / amortisation expenses not requiring an appropriation.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Prepared on Australian Accounting Standards basis.

Table 2.2 Performance measures for Outcome 1

Table 2.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, the 2026–27 Budget measures that have created new programs or materially changed existing programs are provided.

As an entity established under the *Primary Industries Research and Development Act 1989*, and now *Primary Industries Levies and Charges Disbursement Act 2024 – s37 Agricultural Resources (PILCD Act)*, AgriFutures does not produce a corporate plan under the PGPA Act and is therefore exempt from the requirement to map purposes to outcomes.

Outcome 1: Growth in the long-term prosperity of Australian rural industries by investing, through partnerships with industry, in research, development, extension, and commercialisation that fosters sustainable and profitable existing and emerging rural industries, and cross sector opportunities and challenges.	
Program 1.1: Rural Industries Research and Development Corporation	
Objective	Through research and development create thriving rural industries and vibrant regional communities.
Key Activities	<p>Focus Area: Our Industries</p> <p>In partnership with each of our industries, create value by:</p> <ol style="list-style-type: none"> 1. Maximising the return on investment for R&D levies. 2. Listening to, engaging, collaborating, and consulting with our industries. 3. Delivering research and innovation that addresses the specific needs of each of our industries. 4. Supporting our industries to prepare for and thrive into the future. 5. Identifying, linking, and testing new technologies, practices, and innovations with the potential for our industries to uptake and adopt. 6. Assisting our industries to enhance their industry stewardship to build community and consumer confidence.
	<p>Focus Area: Emerging Industries</p> <p>Grow the value and diversity of Australia’s rural economy by:</p> <ol style="list-style-type: none"> 7. Driving the growth or development of emerging, high-potential rural industries. 8. Identifying new revenue streams.

Continued on following pages

Table 2.2 Performance measures for Outcome 1 (continued)

Key Activities (continued)	Focus Area: Workforce and Leadership	
	Assist in the development of the agricultural workforce by:	
	<ul style="list-style-type: none"> 9. Understanding and responding to the future workforce needs of Australia's rural industries. 10. Attracting and retaining a workforce that will ensure Australia's rural industries are future ready. 11. Supporting people in Australia's rural industries to build their motivation and skills to lead change. 12. Responding to the specific workforce and leadership needs of our levied and emerging industries. 	
	Focus Area: National Challenges and Opportunities	
	Future proof Australian rural industries by:	
	<ul style="list-style-type: none"> 13. Identifying, understanding, and responding to national challenges and opportunities impacting Australian rural industries. 14. Facilitating collaboration across sectors and organisations including other RDCs and AIA. 15. Fostering responsible industry stewardship and building community trust. 	
	Focus Area: Global Innovation Networks	
	Engage with the global agrifood innovation system by:	
	<ul style="list-style-type: none"> 16. Ensuring Australia is a leader in accessing and adopting, as well as developing and exporting agrifood technologies and innovation. 	
Year	Performance measures	Expected performance results (All 2025-26 targets are on track)
Current year 2025–26	As per AgriFutures Research and Innovation Strategic Plan 2022–2027 published 1 July 2022.	As per AgriFutures Research and Innovation Strategic Plan 2022–2027 published 1 July 2022.
	Deliver impact assessments of the investments in each of our 13 industry R&D programs.	A Benefit: cost ratio of 4:1. (One assessment per industry during the five years of the AgriFutures Research and Innovation Strategic Plan 2022–2027).
	Percentage of industry representative bodies and panel members that believe AgriFutures' engagement with our industries has been effective.	70 per cent.

Continued on following pages

Table 2.2 Performance measures for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results (All 2025-26 targets are on track)
Current year 2025–26 (continued)	Degree to which the KPIs in each of the individual levied industries' RD&E Plans are being achieved.	80 per cent.
	Percentage of industry representative bodies and panel members that feel AgriFutures' engagement with industry has supported them to prepare for the future.	70 per cent.
	The number of new technologies or innovations trialled relevant to our levied industries.	Five per annum.
	Percentage of our industry representative bodies and panel members that feel AgriFutures' has assisted their industry to build community and consumer confidence.	70 per cent.
	Deliver investments across emerging industries that enables them to address the highest priorities identified in their RD&E Plans.	Five investments across five emerging industries.
	Identify new potential revenue streams post farm-gate or ecosystem market opportunities that have the potential to return additional revenue streams.	Five.
	Deliver and extend to stakeholders the key findings of a study that addresses national workforce needs.	One study per annum.
	Percentage of participants in AgriFutures' leadership and capacity building programs that feel equipped and confident to contribute to the future of Australia's rural industries.	80 per cent.

Continued on following page

Table 2.2 Performance measures for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results (All 2025-26 targets are on track)
Current year 2025–26 (continued)	Percentage of participants in AgriFutures' leadership and capacity building programs that feel their motivation and skills to lead change have increased due to their participation.	80 per cent.
	Percentage of participants in levied and emerging industries capacity building programs that feel they are better equipped to address workforce needs within their industry.	80 per cent.
	Deliver and extend to stakeholders the key findings of studies addressing national challenges and opportunities impacting Australian rural industries.	Four studies per annum.
	Deliver the Emerging National Rural Issues Forum (ENRI).	The prescriptive ENRI Forum has been replaced with a fit-for-purpose and flexible collaboration arrangement which brings together government, industry and other relevant stakeholders where and when required.
	Deliver and extend to stakeholders the key findings of studies addressing responsible industry stewardship and building community trust.	One per annum.
	Deliver events, networks and/or platforms that support the positioning of Australia as a global leader in agrifood tech.	Four events, networks and/or platforms.
Year	Performance measures	Planned Performance Results
Budget Year 2026-27	As per 2025-26.	As per 2025-26.
Forward Estimates 2027-30	As per Annual Operational Plan to be published 1 July 2027.	As per Annual Operational Plan to be published 1 July 2027.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026-27 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

The financial statements are prepared on an accrual basis where revenues and expenses are recognised as and when the resources are received and used. The entity resourcing table recognises the cash resources available to be used during the period and includes amounts recognised as revenue in previous periods.

3.1.2 Explanatory notes and analysis of budgeted financial statements

AgriFutures is budgeting for a deficit of \$6.0 million in 2026-27.

AgriFutures' balance sheet remains strong with estimated total assets of \$45.5 million in 2026-27. Of the total assets, approximately \$42.2 million is represented by cash and investments.

Total liabilities of \$8.1 million are mostly represented by payables to R&D providers and suppliers of \$3.0 million, income received in advance under AASB 15 Revenue from Contracts with Customers of \$2.5 million and employee entitlements of \$1.5 million.

3.2 Budgeted financial statements tables

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
EXPENSES					
Employee benefits	12,077	12,710	13,350	14,015	14,715
Suppliers	14,710	14,230	15,105	15,627	10,975
Grants	33,690	30,500	30,500	30,500	30,500
Depreciation and amortisation	380	400	400	400	400
Finance costs	3	13	10	10	10
Total expenses	60,860	57,853	59,365	60,552	56,600
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	1,860	1,900	1,750	1,500	1,350
Other Grants	8,236	5,500	5,500	5,500	5,500
Royalties	268	500	500	500	500
Other	108	200	200	200	200
Total own-source revenue	10,472	8,100	7,950	7,700	7,550
Total own-source income	10,472	8,100	7,950	7,700	7,550
Net cost of (contribution by) services	50,388	49,753	51,415	52,852	49,050
Revenue from Government (a)					
Commonwealth contribution	37,837	39,210	40,606	42,026	43,398
Industry contributions	6,551	4,543	5,609	5,626	5,652
Total revenue from Government	44,388	43,753	46,215	47,652	49,050
Surplus/(deficit) attributable to the Australian Government	(6,000)	(6,000)	(5,200)	(5,200)	-
Total comprehensive income/(loss) attributable to the Australian Government	(6,000)	(6,000)	(5,200)	(5,200)	-

Continued on following page

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)

Note: Impact of net cash appropriation arrangements

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(6,000)	(6,000)	(5,200)	(5,200)	-
plus: depreciation/amortisation expenses for ROU assets (b)	280	300	300	300	300
less: lease principal repayments (b)	(280)	(300)	(300)	(300)	(300)
Net Cash Operating Surplus/ (Deficit)	(6,000)	(6,000)	(5,200)	(5,200)	-

(a) Revenue from Government includes a Commonwealth contribution under the PILCD Act and levies collected from industry by DAFF for R&D activities.

(b) Applies to leases under AASB 16 Leases. Right of Use (ROU).

Prepared on Australian Accounting Standards basis.

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	8,000	8,000	8,000	8,000	8,000
Trade and other receivables	1,190	1,140	1,140	1,140	1,140
Investments – Deposits	40,197	34,247	29,047	23,847	23,847
Total financial assets	49,387	43,387	38,187	32,987	32,987
Non-financial assets					
Land and buildings	123	768	493	218	943
Property, plant and equipment	123	123	123	123	123
Other non-financial assets	1,250	1,250	1,250	1,250	1,250
Total non-financial assets	1,496	2,141	1,866	1,591	2,316
Total assets	50,883	45,528	40,053	34,578	35,303
LIABILITIES					
Payables					
Suppliers	500	500	500	500	500
Grants	2,500	2,500	2,500	2,500	2,500
Other payables	2,850	2,850	2,850	2,850	2,850
Total payables	5,850	5,850	5,850	5,850	5,850
Interest bearing liabilities					
Leases	137	782	507	232	957
Total interest bearing-liabilities	137	782	507	232	957
Provisions					
Employee provisions	1,500	1,500	1,500	1,500	1,500
Total provisions	1,500	1,500	1,500	1,500	1,500
Total liabilities	7,487	8,132	7,857	7,582	8,307
Net assets	43,396	37,396	32,196	26,996	26,996
EQUITY*					
Parent entity interest					
Retained surplus/(accumulated deficit)	43,396	37,396	32,196	26,996	26,996
Total parent entity interest	43,396	37,396	32,196	26,996	26,996
Total Equity	43,396	37,396	32,196	26,996	26,996

*'Equity' is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis

Table 3.3: Departmental statement of changes in equity – summary of movement (Budget year 2026-27)

	Retained earnings	Total equity
	\$'000	\$'000
Opening balance as at 1 July 2026		
Balance carried forward from previous period	43,396	43,396
Adjusted opening balance	43,396	43,396
Comprehensive income		
Surplus/(deficit) for the period	(6,000)	(6,000)
Total comprehensive income	(6,000)	(6,000)
of which:		
Attributable to the Australian Government	(6,000)	(6,000)
Estimated closing balance as at 30 June 2027	37,396	37,396
Closing balance attributable to the Australian Government	37,396	37,396

Prepared on Australian Accounting Standards basis.

**Table 3.4: Budgeted departmental statement of cash flows
(for the period ended 30 June)**

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Revenue from Government	49,274	44,253	46,715	48,152	49,550
Interest	1,917	1,950	1,750	1,500	1,350
Other	5,249	5,700	5,700	5,700	5,700
Total cash received	56,440	51,903	54,165	55,352	56,600
Cash used					
Employees	12,141	12,710	13,350	14,015	14,715
Suppliers	14,609	14,230	15,105	15,627	10,975
Grants	33,334	30,500	30,500	30,500	30,500
Interest payments on lease liability	3	13	10	10	10
Total cash used	60,087	57,453	58,965	60,152	56,200
Net cash from (used by) operating activities	(3,647)	(5,550)	(4,800)	(4,800)	400
INVESTING ACTIVITIES					
Cash received					
Investments	3,803	5,950	5,200	5,200	-
Total cash received	3,803	5,950	5,200	5,200	-
Cash used					
Purchase of property, plant and equipment and intangibles	82	100	100	100	100
Total cash used	82	100	100	100	100
Net cash from (used by) investing activities	3,721	5,850	5,100	5,100	(100)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	280	300	300	300	300
Total cash used	280	300	300	300	300
Net cash from (used by) financing activities	(280)	(300)	(300)	(300)	(300)
Net increase (decrease) in cash held	(206)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	8,206	8,000	8,000	8,000	8,000
Cash and cash equivalents at the end of the reporting period	8,000	8,000	8,000	8,000	8,000

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources (a)	82	100	100	100	100
TOTAL	82	100	100	100	100
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	82	100	100	100	100
Total cash used to acquire assets	82	100	100	100	100

(a) Includes the following section 74 external revenue:
 – internally developed assets; and
 – proceeds from the sale of assets.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of departmental asset movements (Budget year 2026-27)

	Buildings \$'000	Other property, plant and equipment \$'000	Total \$'000
As at 1 July 2026			
Gross book value	-	843	843
Gross book value – ROU (a)	1,185	-	1,185
Accumulated depreciation/amortisation and impairment	(107)	(720)	(827)
Accumulated depreciation/amortisation and impairment – ROU (a)	(955)	-	(955)
Opening net book balance	123	123	246
CAPITAL ASSET ADDITIONS			
Estimated expenditure on new or replacement assets			
By purchase – other (b)	-	100	100
By purchase - ROU	920	-	920
Gross Value - ROU - Remeasurement	25	-	25
Total additions	945	100	1,045
Other movements			
Depreciation/amortisation expense	-	(100)	(100)
Depreciation/amortisation expense – ROU (a)	(300)	-	(300)
Total other movements	(300)	(100)	(400)
As at 30 June 2027			
Gross book value	-	943	943
Gross book value – ROU (a)	2,130	-	2,130
Accumulated depreciation/amortisation and impairment	(107)	(820)	(927)
Accumulated depreciation/amortisation and impairment – ROU (a)	(1,255)	-	(1,255)
Closing net book balance	768	123	891

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'By purchase – other' refers to funding provided through other internal funding sources.

Prepared on Australian Accounting Standards basis.

Australian Fisheries Management Authority

Entity resources and planned performance

Australian Fisheries Management Authority

Section 1: Entity overview and resources	99
1.1 Strategic direction statement.....	99
1.2 Entity resource statement.....	101
1.3 Budget measures	103
Section 2: Outcomes and planned performance	104
2.1 Budgeted expenses and performance for Outcome 1	105
Section 3: Budgeted financial statements	113
3.1 Budgeted financial statements	113
3.2 Budgeted financial statements tables	114

Australian Fisheries Management Authority

Section 1: Entity overview and resources

1.1 Strategic direction statement

The purpose of the Australian Fisheries Management Authority (AFMA) is the ecologically sustainable development of Commonwealth fisheries for the benefit of the Australian community.

To achieve its purpose, AFMA pursues the objectives of:

- Implementing efficient and cost-effective fisheries management.
- Ensuring the exploitation of fisheries and related activities is consistent with the principles of ecologically sustainable development.
- Where Australia has obligations under international agreements, ensuring the exploitation of fish stocks and related activities in the Australian fishing zone and the high seas are carried on consistently with those obligations.
- To the extent that Australia has obligations under international law or agreements, ensuring that fishing activities by Australian flagged vessels on the high seas are conducted consistently with those obligations.
- Maximising net economic returns to the Australian community from the management of Australian fisheries.
- Ensuring accountability to the fishing industry and the Australian community in the management of fisheries resources.
- Achieving Government targets in relation to the recovery of AFMA's costs.

AFMA is also required to have regard to the objectives of:

- Ensuring that the interests of commercial, recreational, and Indigenous fishers are taken into account.
- Ensuring, through proper conservation and management measures, that the living resources of the Australian fishing zone are not endangered by over-exploitation.
- Achieving optimum utilisation of the living resources of the Australian fishing zone.

AFMA must ensure that, as far as practicable, measures adopted in pursuit of legislated objectives are not inconsistent with the preservation, conservation and protection of whales.

Success in pursuing these objectives is increasingly impacted by greater competition in the marine space as well as environmental change. The Department of Agriculture, Fisheries and Forestry (DAFF) is continuing its review of the Commonwealth Harvest Strategy Policy and the Commonwealth Bycatch Policy, which are key guiding documents for the way that AFMA manages fisheries. AFMA has work underway to recalibrate its management regime in some fisheries, in addition to planning for technology, business environment and workforce upgrades to ensure AFMA is prepared to continue to meet future challenges.

In 2026–27, AFMA will continue focus on:

- implementing regulatory reform opportunities to bolster productivity growth, as agreed by the Australian Government;
- whole of Government national security priorities in close collaboration with Australian Border Force, in deterring illegal foreign fishing;
- technological uplift and rolling out the expanded Electronic-Monitoring program;
- investing in risk-based frameworks to ensure management decisions incorporate climate change impacts.

AFMA’s Corporate Plan outlines the key priorities that will support AFMA to achieve its purpose in the dynamic marine and economic environment in which it operates.

1.2 Entity resource statement

Table 1.1 shows the total resourcing from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to the *Budget Paper No. 4 – Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: Australian Fisheries Management Authority resource statement – Budget estimates for 2026-27 as at Budget May 2026

	2025-26 <i>Estimated actual</i> \$'000	2026-27 Estimate \$'000
<u>Departmental</u>		
Annual appropriations – ordinary annual services (a)		
Departmental appropriation (b)	27,889	25,246
Departmental capital budget (c)	495	504
Prior year appropriations available	351	-
Total departmental annual appropriations	28,735	25,750
Special accounts (d)		
Opening Balance	16,001	15,201
Appropriation receipts (e)	27,889	25,246
Non-appropriation receipts	21,349	22,009
Total special account receipts	65,239	62,456
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<i>(27,889)</i>	<i>(25,246)</i>
Total departmental resourcing	66,085	62,960
<u>Administered</u>		
Annual appropriations – ordinary annual services (a)		
Outcome 1	6,389	6,574
Total administered annual appropriations	6,389	6,574
Total administered resourcing	6,389	6,574
Total resourcing for AFMA	72,474	69,534
	2025-26	2026-27
Average staffing level (number)	179	181

(a) Appropriation Bill (No. 1) 2026-27.

(b) Excludes departmental capital budget (DCB).

(c) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

(d) Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) accounts and other special accounts. For further information on special accounts, please refer to *Budget Paper No. 4: Agency Resourcing 2026-27*. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g., annual appropriations, special appropriations and special accounts.

(e) Amounts credited to the special account from the Authority's annual appropriations.

Please note: All figures shown above are GST exclusive – these may not match figures in the cash flow statement.

Prepared on a resourcing (i.e. appropriations available) basis.

1.3 Budget measures

Budget measures in Part 1 relating to Australian Fisheries Management Authority are detailed in the *Budget Paper No. 2* and are summarised below.

**Table 1.2: Australian Fisheries Management Authority 2026-27 Budget measures
Part 1: Measures announced since the 2025-26 Mid-Year Economic and Fiscal
Outlook (MYEFO)**

	Program	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000
Payment measures						
Supporting Border Security (a)	1.1					
Departmental payment		-	3,000	-	-	-
Total		-	3,000	-	-	-
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses - one year extension (b)	1.1					
Departmental payment		-	-	-	-	(913)
Total		-	-	-	-	(913)
Total payment measures						
Departmental		-	3,000	-	-	(913)
Total		-	3,000	-	-	(913)

Part 2: Other measures not previously reported in a portfolio statement

	Program	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000
Measures						
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses (c)	1.1					
Departmental receipt/payment		-	(877)	(803)	(744)	-
Total		-	(877)	(803)	(744)	-
Total measures						
Departmental		-	(877)	(803)	(744)	-
Total		-	(877)	(803)	(744)	-

- (a) The lead entity for Supporting Border Security is the Department of Home Affairs and Australian Border Force. The full measure description and package details appear in Budget Paper No. 2 under the Home Affairs Portfolio.
- (b) This is a cross-portfolio measure. The full measure description and package details appear in Budget Paper No. 2 under Cross Portfolio.
- (c) This is a cross-portfolio measure. The full measure description and package details appear in Appendix A of 2025–26 MYEFO under Cross Portfolio.

Prepared on a Government Finance Statistics (Underlying Cash) basis.

Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which Government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to Government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance measure described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide a complete picture of an entity's planned and actual performance.

AFMA's most recent corporate plan can be found at:

<https://www.afma.gov.au/corporate-and-reports/afma-corporate-plan-2025-2028>

AFMA's most recent annual performance statement can be found at:

<https://www.afma.gov.au/corporate-and-reports/2024-25-annual-report>

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Ecologically sustainable and economically efficient Commonwealth fisheries, through understanding and monitoring Australia’s marine living resources and regulating and monitoring commercial fishing, including domestic licensing and deterrence of illegal foreign fishing.

2.1.1: Linked programs

Department of Agriculture, Fisheries and Forestry
Program 1.4: Fishing Industry Program 2.1: Biosecurity and Export Services
Contribution to Outcome 1 made by linked program: AFMA and DAFF engage on fisheries policy and management to ensure a sustainable, productive, and profitable fishing industry.
Department of Climate Change, Energy, the Environment and Water
Program 2.1: Conserve, protect, sustainably manage and restore Australia’s natural environment.
Contribution to Outcome 1 made by linked program: AFMA and Department of Climate Change, Energy, the Environment and Water engage on fisheries management to ensure fisheries management meets standards under the <i>Environment Protection and Biodiversity Conservation Act 1999</i> .
Department of Home Affairs
Program 3.4: Border Enforcement
Contribution to Outcome 1 made by linked program: AFMA provides the fisheries focused component of the Australian Government Civil Maritime Surveillance and Response Program and is responsible for the administration of legislation governing illegal fishing in the Australian waters. AFMA works to deter and prevent illegal foreign fishing through education programs, cooperative enforcement activities, prosecution of offenders, destruction of confiscated boats and capacity building projects.

2.1.2: Budgeted expenses for Outcome 1

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: Ecologically sustainable and economically efficient Commonwealth fisheries, through understanding and monitoring Australia’s marine living resources and regulating and monitoring commercial fishing, including domestic licensing and deterrence of illegal foreign fishing.					
	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 1.1: Australian Fisheries Management Authority					
<u>Administered expenses</u>					
Ordinary annual services (Appropriation Bill (No. 1))					
Illegal Foreign Fishing Vessel Caretaking and Disposal	6,389	6,574	6,583	6,667	6,668
<u>Departmental expenses</u>					
Departmental appropriation (a)	27,889	25,246	22,068	21,971	22,144
<u>Special account</u>					
AFMA Special Account	21,349	22,009	22,310	22,620	22,939
Expenses not requiring appropriation in the Budget year (b)	2,373	1,492	1,476	1,500	1,436
Total expenses for program 1.1	58,000	55,321	52,437	52,758	53,187
Outcome 1 Totals by appropriation type					
<u>Administered expenses</u>					
Ordinary annual services (Appropriation Bill (No. 1))	6,389	6,574	6,583	6,667	6,668
<u>Departmental expenses</u>					
Departmental appropriation (a)	27,889	25,246	22,068	21,971	22,144
<u>Special account</u>					
AFMA Special Account	21,349	22,009	22,310	22,620	22,939
Expenses not requiring appropriation in the Budget year (b)	2,373	1,492	1,476	1,500	1,436
Total expenses for Outcome 1	58,000	55,321	52,437	52,758	53,187
	2025-26	2026-27			
Average staffing level (number)	179	181			

Continued on following page

Table 2.1: Budgeted expenses for Outcome 1 (continued)

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

- (a) Expenses are funded from both 'ordinary annual services' Appropriation Bill (No. 1) 2026-27, and 'revenue from independent sources' (receipts retained under section 74 of the PGPA Act).
- (b) Expenses not requiring appropriation in the Budget year are made up of make good expenses, audit fees, and can include depreciation / amortisation expenses not requiring an appropriation.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as Government priorities change.

Prepared on Australian Accounting Standards basis.

Table 2.2 Performance measure for Outcome 1

Table 2.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, the 2026–27 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1: Ecologically sustainable and economically efficient Commonwealth fisheries, through understanding and monitoring Australia’s marine living resources and regulating and monitoring commercial fishing, including domestic licensing and deterrence of illegal foreign fishing.	
Program 1.1: Australian Fisheries Management Authority	
Objective 1	Management of Commonwealth fisheries consistent with principles of ecological sustainable development.
Key Activities	<ul style="list-style-type: none"> • Developing management arrangements that: <ul style="list-style-type: none"> ○ Support the implementation of Commonwealth fisheries policies including the Harvest Strategy and Bycatch Policies. ○ Implement AFMA’s Ecological Risk Management Framework. ○ Recover overfished stocks and prevent overfishing. ○ Ensure commercial, recreational and Indigenous fishing information is used to the extent possible in decision making. • Investing in and applying monitoring, scientific and economic research to decision making on fish stocks, sub-stocks, species (target and non-target species) and the impact of fishing on the marine environment.
Objective 2	Maximise net economic returns to the Australian community from the management of Commonwealth fisheries.
Key Activities	<ul style="list-style-type: none"> • Reviewing management arrangements to have regard for commercial, recreational and Indigenous fishing interests when maximising net economic returns from the commercial sector. • Reviewing management arrangements in conjunction with external factors that may limit fishing to ensure overall regulation is fit for purpose. • Managing exploratory fisheries (potentially underutilised fisheries). • Understanding impacts of resource allocation between commercial, recreational, and Indigenous fishers.

Continued on following pages

Table 2.2 Performance measure for Outcome 1 (continued)

Objective 3	Compliance with Commonwealth fisheries laws and policies and relevant international fishing obligations and standards.
Key Activities	<ul style="list-style-type: none"> • Operating an effective compliance and enforcement regime encompassing: <ul style="list-style-type: none"> ○ Measures to maximise voluntary compliance. ○ Risk-based, intelligence driven, and targeted domestic operations. ○ Building and maintaining strategic links and relationships with relevant law enforcement agencies. • Operating effective foreign fisheries compliance enforcement and capacity building by: <ul style="list-style-type: none"> ○ Implementing strategies to deter and eliminate illegal, unreported and unregulated (IUU) foreign fishing in Australian waters and on the high seas where Australia has an interest. ○ Delivering capacity building programs internationally and providing technical input to support key regional and international fishing bodies.
Objective 4	Deliver effective, cost efficient and accountable management of Commonwealth fisheries resources.
Key Activities	<ul style="list-style-type: none"> • Pursuing initiatives to improve regulation and administration generally in the Australian Government sector including: <ul style="list-style-type: none"> ○ Exploring opportunities to streamline fisheries assessment and management processes. ○ Implementing revised fisheries policies for harvest strategies and by catch. • Reviewing business processes and systems, information flows and financial management arrangements through: <ul style="list-style-type: none"> ○ Assessing and mitigating high financial and operating risks. ○ Seeking opportunities to cooperate with other Departments and agencies to optimise spending. ○ Trialling new and cost-effective methods of collecting essential data. • Increasing AFMA accountability and stakeholder engagement through: <ul style="list-style-type: none"> ○ Continual review of management advisory committees (MACs) and resource assessment groups (RAGs). ○ Contribution to development of a Commonwealth fisheries Indigenous engagement strategy.

Continued on following pages

Table 2.2 Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Current year 2025-26	1. Percentage of Total Allowable Catch (TAC) determinations, or comparable measures, that are based on scientific assessments by resource assessment groups/management advisory committees.	Target: Greater than or equal to 95 per cent. Result: achieved.
	2. The number of regulated fisheries assessed in accordance with AFMA's published Ecological Risk Assessment (ERA) schedule.	Target: As per published assessment schedule. Result: on track.
	3. The number of stocks identified as overfished that have specific rebuilding actions in place.	Target: 100 per cent of stocks identified as overfished have a specific rebuilding action in place. Result: achieved.
	4. Fisheries that maintain accreditation through compliance with legislative requirements.	Target: 100 per cent of fisheries maintain accreditation. Result: achieved.
	5. The number of stocks with target reference points based on Maximum Economic Yield (MEY), an agreed proxy thereof, or a multi-stock harvest strategy.	Target: No change or increase. Result: on track.
	6. Net Economic Return as assessed in the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) Fishery Status Reports.	Target: Positive trend over rolling three-year average. Result: on track.
	7. Identification of priority national compliance risks and development of treatment programs for those priority risks.	Target: 100 per cent of published national compliance risks have treatment programs in place. Result: achieved.
	8. Investigation of illegal foreign fishing in Australian waters to support prosecutions.	Target: 90 per cent of briefs referred to the Commonwealth Director of Public Prosecutions for illegal foreign fishing offences proceed to prosecution. Result: on track.

Continued on following pages

Table 2.2 Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Current year 2025–26 (continued)	9. Compliance rate with Australia's international fisheries obligations that AFMA implements as assessed by International Fisheries Management Organisations.	Target: Greater than 90 per cent. Result: on track.
	10. Cost recovery budget.	Target: At or below 2005–06 once adjusted for Consumer Price Index (CPI). Result: achieved.
	11. Engagement with legislated peak body.	Target: Commonwealth Fisheries Association is satisfied that meaningful opportunity is given to contribute to planning, delivery and reporting. Result: on track.
Year	Performance measures	Planned Performance Results
Budget Year 2026–27	1. Percentage of Total Allowable Catch, Total Allowable Effort determinations, or comparable measures, that are based on scientific assessments by resource assessment groups/ management advisory committees. (a)	Greater than or equal to 95 per cent.
	2. Percentage of fisheries with an Ecological Risk Management (ERM) response in place. (b)	100 per cent of fisheries have an ERM response in place.
	3. The number of stocks identified as overfished that have specific rebuilding actions in place.	100 per cent of stocks identified as overfished have a specific rebuilding action in place.
	4. Fisheries that maintain accreditation under Part 13A of the <i>Environment Protection and Biodiversity Conservation Act 1999</i> . (c)	100 per cent of export fisheries maintain accreditation.
	5. The number of stocks with target reference points based on MEY.	No change or increase.

Continued on following pages

Table 2.2 Performance measure for Outcome 1 (continued)

Year	Performance measures	Planned Performance Results
Budget Year 2026–27 (continued)	6. Net Economic Return as assessed in the ABARES Fishery Status Reports.	Positive trend over rolling three-year average.
	7. Identification of priority national compliance risks and activities and development of treatment programs for those priority risks and activities. (d)	100 per cent of published national compliance risks and activities have operational and treatment programs in place.
	8. Investigation of illegal foreign fishing in Australian waters to support prosecutions.	90 per cent of briefs referred to the Commonwealth Director of Public Prosecutions for illegal foreign fishing offences proceed to prosecution.
	9. Compliance rate with Australia's international fisheries obligations that AFMA implements as assessed by International Fisheries Management Organisations.	Greater than 90 per cent.
	10. Cost recovery budget.	At or below 2005–06 once adjusted for CPI.
	11. Engagement with legislated peak body.	Commonwealth Fisheries Association is satisfied that meaningful opportunity is given to contribute to planning, delivery, and reporting.
Year	Performance measures	Planned Performance Results
Forward Estimates 2027–30	As per 2026–27.	As per 2026–27.
Material changes to Program 1.1 resulting from 2026–27 Budget Measures: Nil		

- (a) No change to Performance Measure, wording only amended to reflect the full suite of information considered by resource assessment groups/ management advisory committees.
- (b) Performance Measure 2 in 2026-27 is a new Performance Measure, which replaces Performance Measure 2 in 2025-26. The rationale for this, is that the number of ERAs conducted from year to year is variable and not as useful a metric of AFMA's performance as a metric directed at updates to ERM responses.
- (c) No change to Performance Measure, wording only amended to clarify the specific intended legislative requirements.
- (d) No change to Performance Measure, wording only amended to reflect the two risks and three sets of activities (communication and engagement, monitoring and surveillance, intelligence led operation) in the National Compliance Enforcement Program. By explicitly recognising the activities, the proposed change improves completeness and transparency.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026-27 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

The financial statements are prepared on an accrual basis where revenues and expenses are recognised as and when the resources are received and used. The entity resourcing table recognises cash resources available to be used during the period and includes amounts recognised as revenue in previous periods.

3.1.2 Explanatory notes and analysis of budgeted financial statements

AFMA expects to maintain a balanced budget position over the forward years before depreciation and amortisation.

AFMA collects levies via regulations under the *Fishing Levy Act 1991*, in accordance with the *Fisheries Management Act 1991*, *Fisheries Administration Act 1991*, Australian Government cost recovery policy and AFMA's Cost Recovery Implementation Statement.

Administered income reflects the fines imposed by AFMA for domestic and international illegal fishing activities and the receipt of administered revenue for expenditure incurred.

Administered expenditure reflects payments to the providers of illegal foreign fishing vessel caretaking and disposal services.

3.2 Budgeted financial statements tables

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
EXPENSES					
Employee benefits	25,816	24,906	24,955	25,703	26,473
Suppliers	23,015	21,061	18,119	17,608	17,266
Finance costs	143	143	143	143	143
Depreciation and amortisation	2,637	2,637	2,637	2,637	2,637
Total expenses	51,611	48,747	45,854	46,091	46,519
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	3,381	3,452	3,491	3,531	3,573
Rental income	120	123	127	131	135
Levies and licence fees provided via crediting right to special account	17,848	18,434	18,692	18,958	19,231
Total own-source revenue	21,349	22,009	22,310	22,620	22,939
Gains					
Other	45	45	45	45	45
Total gains	45	45	45	45	45
Total own-source income	21,394	22,054	22,355	22,665	22,984
Net cost of (contribution by) services	30,217	26,693	23,499	23,426	23,535
Revenue from Government	27,889	25,246	22,068	21,971	22,144
Surplus (deficit) attributable to the Australian Government	(2,328)	(1,447)	(1,431)	(1,455)	(1,391)
Total comprehensive income (loss) attributable to the Australian Government	(2,328)	(1,447)	(1,431)	(1,455)	(1,391)

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)**Note: Impact of net cash appropriation arrangements**

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(2,328)	(1,447)	(1,431)	(1,455)	(1,391)
plus: depreciation/amortisation of assets funded through appropriations (Departmental capital budget funding and/or equity injections) (a)	1,592	1,534	1,656	1,254	1,459
plus: depreciation/amortisation expenses for ROU assets (b)	1,045	1,103	981	1,383	1,178
less: lease principal repayments (b)	(1,109)	(1,190)	(1,206)	(1,182)	(1,246)
Total comprehensive income (loss) – as per the statement of comprehensive income	(800)	-	-	-	-

(a) From 2010–11, the Government introduced net cash appropriation arrangements that provided non-corporate Commonwealth entities with a separate Departmental Capital Budget (DCB) under Appropriation Bill (No. 1). This replaced revenue appropriations provided under Appropriation Bill (No. 1) used for the depreciation/amortisation expenses. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

(b) Applies to leases under Australian Accounting Standards Board (AASB) 16 Leases.

Prepared on Australian Accounting Standards basis.

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	15,201	15,201	15,201	15,201	15,201
Trade and other receivables	2,438	2,438	2,438	2,438	2,438
Total financial assets	17,639	17,639	17,639	17,639	17,639
Non-financial assets					
Land and buildings	8,836	6,801	4,927	6,589	4,554
Property, plant and equipment	894	1,125	1,244	1,480	1,223
Intangibles	3,401	3,072	2,855	2,526	2,697
Other	274	274	274	274	274
Total non-financial assets	13,405	11,272	9,300	10,869	8,748
Total assets	31,044	28,911	26,939	28,508	26,387
LIABILITIES					
Payables					
Supplier payables	3,521	3,521	3,521	3,521	3,521
Other payables	2,604	2,604	2,604	2,604	2,604
Total payables	6,125	6,125	6,125	6,125	6,125
Provisions					
Employee provisions	5,353	5,353	5,353	5,353	5,353
Other provisions	192	192	192	192	192
Total provisions	5,545	5,545	5,545	5,545	5,545
Interest bearing liabilities					
Leases	2,800	1,610	565	3,080	1,834
Total interest bearing liabilities	2,800	1,610	565	3,080	1,834
Total liabilities	14,470	13,280	12,235	14,750	13,504
Net assets	16,574	15,631	14,704	13,758	12,883
EQUITY*					
Parent entity interest					
Contributed equity	19,685	20,189	20,693	21,202	21,718
Reserves	6,395	6,395	6,395	6,395	6,395
Retained surplus/(accumulated deficit)	(9,506)	(10,953)	(12,384)	(13,839)	(15,230)
Total parent entity interest	16,574	15,631	14,704	13,758	12,883
Total Equity	16,574	15,631	14,704	13,758	12,883

*'Equity' is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity – summary of movement (Budget year 2026-27)

	Retained earnings \$'000	Revaluation Asset Reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2026				
Balance carried forward from previous period	(9,506)	6,395	19,685	16,574
Adjusted opening balance	(9,506)	6,395	19,685	16,574
Comprehensive income				
Surplus (deficit) for the period	(1,447)	-	-	(1,447)
Total comprehensive income	(1,447)	-	-	(1,447)
of which:				
Attributable to the Australian Government	(1,447)	-	-	(1,447)
Transactions with owners				
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	504	504
Sub-total transactions with owners	-	-	504	504
Estimated closing balance as at 30 June 2027	(10,953)	6,395	20,189	15,631
Closing balance attributable to the Australian Government	(10,953)	6,395	20,189	15,631

Prepared on Australian Accounting Standards basis.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sale of goods and rendering of services	4,010	4,084	4,093	4,147	4,193
Appropriations	27,889	25,246	22,068	21,971	22,144
Net GST received	1,737	1,336	1,277	1,262	1,262
Other	17,848	18,434	18,692	18,958	19,231
Total cash received	51,484	49,100	46,130	46,338	46,830
Cash used					
Employees	25,816	24,906	24,955	25,703	26,473
Suppliers	25,577	22,871	19,836	19,320	18,978
Borrowing costs	133	133	133	133	133
Total cash used	51,526	47,910	44,924	45,156	45,584
Net cash from (used by) operating activities	(42)	1,190	1,206	1,182	1,246
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant, equipment and intangibles	495	504	504	509	516
Total cash used	495	504	504	509	516
Net cash from (used by) investing activities	(495)	(504)	(504)	(509)	(516)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	846	504	504	509	516
Total cash received	846	504	504	509	516
Cash used					
Lease liability – principal payments	1,109	1,190	1,206	1,182	1,246
Total cash used	1,109	1,190	1,206	1,182	1,246
Net cash from (used by) financing activities	(263)	(686)	(702)	(673)	(730)
Net increase (decrease) in cash held	(800)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	16,001	15,201	15,201	15,201	15,201
Cash and cash equivalents at the end of the reporting period	15,201	15,201	15,201	15,201	15,201

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget – Bill (No. 1) (DCB)	495	504	504	509	516
Total capital appropriations represented by:	495	504	504	509	516
Total new capital appropriations represented by:					
Purchase of non-financial assets	495	504	504	509	516
Total items	495	504	504	509	516
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation – DCB (a)	495	504	504	509	516
TOTAL	495	504	504	509	516
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	495	504	504	509	516
Total cash used to acquire assets	495	504	504	509	516

(a) Does not include annual finance lease costs. Include purchases from current and previous years Departmental Capital Budget (DCB).

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of departmental asset movements (Budget year 2026-27)

	Land	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2026					
Gross book value	2,475	6,316	1,596	10,145	20,532
Gross book value – ROU (a)	-	9,784	134	-	9,918
Accumulated depreciation/ amortisation and impairment	-	(2,367)	(730)	(6,744)	(9,841)
Accumulated depreciation/ amortisation and impairment – ROU (a)	-	(7,372)	(106)	-	(7,478)
Opening net book balance	2,475	6,361	894	3,401	13,131
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase – appropriation ordinary annual services (b)	-	-	504	-	504
Total additions	-	-	504	-	504
Other movements					
Depreciation/ amortisation expense	-	(954)	(251)	(329)	(1,534)
Depreciation/ amortisation expense – ROU (a)	-	(1,081)	(22)	-	(1,103)
Total other movements	-	(2,035)	(273)	(329)	(2,637)
As at 30 June 2027					
Gross book value	2,475	6,316	2,100	10,145	21,036
Gross book value – ROU (a)	-	9,784	134	-	9,918
Accumulated depreciation/ amortisation and impairment	-	(3,321)	(981)	(7,073)	(11,375)
Accumulated depreciation/ amortisation and impairment – ROU (a)	-	(8,453)	(128)	-	(8,581)
Closing net book balance	2,475	4,326	1,125	3,072	10,998

(a) Applies to leases under AASB 16 Leases.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2026-27 for Departmental Capital Budget or other operational expenses.

Prepared on Australian Accounting Standards basis.

Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
EXPENSES					
Suppliers	6,389	6,574	6,583	6,667	6,668
Total expenses administered on behalf of Government	6,389	6,574	6,583	6,667	6,668
Total own-sourced income administered on behalf of Government	-	-	-	-	-
Net Cost of (contribution by) services	6,389	6,574	6,583	6,667	6,668
Surplus (Deficit)	(6,389)	(6,574)	(6,583)	(6,667)	(6,668)
Total comprehensive income (loss)	(6,389)	(6,574)	(6,583)	(6,667)	(6,668)

Prepared on Australian Accounting Standards basis.

Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
ASSETS					
Financial assets					
Receivables	5	5	5	5	5
Total financial assets	5	5	5	5	5
Total assets administered on behalf of Government	5	5	5	5	5
LIABILITIES					
Payables					
Suppliers	1	1	1	1	1
Total payables	1	1	1	1	1
Total liabilities administered on behalf of Government	1	1	1	1	1
Net assets/(liabilities)	4	4	4	4	4

Prepared on Australian Accounting Standards basis.

Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash used					
Suppliers	6,389	6,574	6,583	6,667	6,668
Total cash used	6,389	6,574	6,583	6,667	6,668
Net cash from (used by) operating activities	(6,389)	(6,574)	(6,583)	(6,667)	(6,668)
Net increase (decrease) in cash held	(6,389)	(6,574)	(6,583)	(6,667)	(6,668)
Cash from Official Public Account for:					
– Appropriations	6,389	6,574	6,583	6,667	6,668
Total cash from Official Public Account	6,389	6,574	6,583	6,667	6,668
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Australian Pesticides and Veterinary Medicines Authority

Entity resources and planned performance

Australian Pesticides and Veterinary Medicines Authority

Section 1: Entity overview and resources	129
1.1 Strategic direction statement	129
1.2 Entity resource statement	131
1.3 Budget measures	133
Section 2: Outcomes and planned performance	134
2.1 Budgeted expenses and performance for Outcome 1	135
Section 3: Budgeted financial statements	141
3.1 Budgeted financial statements	141
3.2 Budgeted financial statements tables	142

Australian Pesticides and Veterinary Medicines Authority

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Australian Pesticides and Veterinary Medicines Authority (APVMA) was established under the *Agricultural and Veterinary Chemicals (Administration) Act 1992* (Administration Act). The APVMA's principal responsibilities are described in the Administration Act and the *Agricultural and Veterinary Chemicals Code Act 1994*. It supports the delivery and management of the National Registration Scheme (NRS) through the responsible regulation and control of agricultural and veterinary (agvet) chemicals up to and including the point of retail sale.

The APVMA's purpose is to regulate agricultural and veterinary chemicals to protect the health and safety of people, animals and the environment, and to support primary industries, biosecurity and international trade for all Australians. It pursues its purpose through the Strategic Plan 2025-30 which sets the following strategic objectives:

- Being a trusted, transparent and fair regulator,
- Supporting a contemporary regulatory system,
- Building regulatory foresight capability,
- Striving for operational excellence,
- Attracting, developing and retaining talented people.

The APVMA is a cost recovered agency with funding received from levies, fees, and charges. Fees and charges include, but are not limited to, registration renewal fees, application fees (product, active constituent, permits) and Good Manufacturing Practice (GMP) licensing fees. Fees and charges are prescribed in the Cost Recovery Implementation Statement (CRIS). Levies are collected, on the basis of wholesale value of chemical products sold, or otherwise disposed of, under the *Agricultural and Veterinary Chemical Products (Collection of Levy) Act 1994*, and the levy rates are prescribed in the Regulations to the Act. The APVMA also receives some funding through government appropriations.

The APVMA will continue to implement the Ministerial Direction (issued 13 July 2023) concerning the finalisation of eight long running chemical reconsiderations. It will seek to make determinations on the identified chemical reconsiderations in accordance with the relevant legislation and in the earliest reasonable timeframe. It is a strategic priority for the APVMA to build community confidence in the safety and efficacy of older registered agvet chemicals through enhancing the effectiveness of the chemical review and adverse experience reporting programs.

The Assistant Minister issued a Statement of Expectations on 22 December 2025, which outlines the government’s expectations for the delivery of the APVMA’s regulatory functions, engagement, governance and accountability. In response the APVMA provided a Statement of Intent, outlining how the APVMA will respond to these expectations.

The Ministerial Direction, Statement of Expectations, and Statement of Intent form part of the APVMA’s governance framework and guide the APVMA in its reform agenda to strengthen the APVMA’s capability to manage increasingly complex agvet regulatory risks, embrace opportunities, and respond to everchanging global events.

The APVMA operates within a highly complex environment with rapidly emerging new technologies; changes in consumer and societal expectations; increasing biosecurity risk, changing attitudes to regulatory compliance; and changing economic and climatic circumstances. While most of these factors are outside of APVMA’s control, they represent risks which the agency must be capable of managing.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (Government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4: Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: Australian Pesticides and Veterinary Medicines Authority resource statement – Budget estimates for 2026-27 as at Budget May 2026

	2025-26 Estimated actual \$'000	2026-27 Estimate \$'000
Opening balance/cash reserves at 1 July	3,458	2,677
Funds from Government		
Annual appropriations – ordinary annual services (a)		
Outcome 1	7,483	10,450
Total annual appropriations	7,483	10,450
Special appropriations (b)		
<i>Agricultural and Veterinary Chemicals (Administration) Act 1992, s. 58 (6)</i>	44,831	54,232
Total special appropriations	44,831	54,232
Amounts received from related entities		
Amounts from portfolio department (c)	153	157
Total amounts received from related entities	153	157
Total funds from Government	52,467	64,839
Funds from industry sources		
Levies, fees and charges (d)	44,831	54,232
<i>less amounts paid to the CRF</i>	(44,831)	(54,232)
Total funds from industry sources	-	-
Funds from other sources		
Other	96	96
Total funds from other sources	96	96
Total net resourcing for APVMA	56,021	67,612
	2025-26	2026-27
Average staffing level (number)	222	222

Prepared on a resourcing (that is, appropriations available) basis.

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

All figures shown above are GST exclusive – these may not match figures in the cash flow statement.

- (a) Appropriation Bill (No. 1) 2026-27. Appropriation is provided through the Department of Agriculture, Fisheries and Forestry (DAFF) and is specified within the Annual Appropriation Bills as a payment to APVMA and is considered departmental for all purposes.
- (b) APVMA's special appropriation is not directly appropriated as it is a corporate Commonwealth entity (CCE) under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Appropriations are made to DAFF and are then paid to APVMA and are considered departmental for all purposes.
- (c) Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills as a payment to that CCE (for example, a grant awarded to a CCE from one of its portfolio department's administered programs).
- (d) These charges are imposed by the *Agricultural and Veterinary Chemicals Code Act 1994* and the *Agricultural and Veterinary Chemical Products (Collection of Levy) Act 1994*. They are collected by APVMA and transferred to the Consolidated Revenue Fund (CRF). These amounts are then drawn down by the department as a special appropriation under the Administration Act.

1.3 Budget measures

Budget measures in Part 1 relating to Australian Pesticides and Veterinary Medicines Authority are detailed in the *Budget Paper No. 2* and are summarised below.

Table 1.2: Australian Pesticides and Veterinary Medicines Authority 2026-27 Budget measures

Part 1: Measures announced since the 2025-26 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000
Payment measures						
Supplementary Funding for the Australian Pesticides and Veterinary Medicines Authority	1.1					
Departmental payment		-	8,700	-	-	-
Total		-	8,700	-	-	-
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses - one year extension (a)	1.1					
Departmental payment		-	-	-	-	(36)
Total		-	-	-	-	(36)
Total payment measures						
Departmental		-	8,700	-	-	(36)
Total		-	8,700	-	-	(36)

Part 2: Other measures not previously reported in a portfolio statement

	Program	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000
Measures						
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses (b)	1.1					
Departmental payment		-	(31)	(34)	(31)	-
Total		-	(31)	(34)	(31)	-
Total measures						
Departmental		-	(31)	(34)	(31)	-
Total		-	(31)	(34)	(31)	-

(a) This is a cross-portfolio measure. The full measure description and package details appear in Budget Paper No. 2 under Cross Portfolio.

(b) This is a cross-portfolio measure. The full measure description and package details appear in Appendix A of 2025–26 MYEFO under Cross Portfolio.

Prepared on a Government Finance Statistics (Underlying Cash) basis. Figures displayed as a negative represent a decrease in funds and a positive represent an increase in funds

Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide a complete picture of an entity's planned and actual performance.

APVMA's most recent corporate plan can be found at:

<https://www.transparency.gov.au/portfolio-entities-companies/agriculture/australian-pesticides-and-veterinary-medicines-authority-apvma#corporate%20plans>

APVMA's most recent annual performance statement can be found at:

<https://www.transparency.gov.au/portfolio-entities-companies/agriculture/australian-pesticides-and-veterinary-medicines-authority-apvma#annual%20reports>

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Protection of the health and safety of people, animals, the environment, and agricultural and livestock industries through regulation of pesticides and veterinary medicines.

2.1.1: Linked programs

Department of Agriculture, Fisheries and Forestry

Program 1.10: Agricultural Resources

Contribution to Outcome 1 made by linked programs:

APVMA and DAFF work together to ensure the protection of the health and safety of humans, animals, and the environment.

2.1.2: Budgeted expenses for Outcome 1

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by administered and departmental funding sources.

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: Protection of the health and safety of people, animals, the environment, and agricultural and livestock industries through regulation of pesticides and veterinary medicines.

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 1.1: Australian Pesticides and Veterinary Medicines Authority					
Revenue from Government					
Ordinary annual services (Appropriation Bill (No. 1) (a))	7,483	10,450	1,776	1,774	1,795
Payment from related entities	153	157	160	164	168
Special appropriations					
<i>Agricultural and Veterinary Chemicals (Administration) Act 1992, s. 58 (6) – amount payable to the APVMA</i>	45,737	46,996	48,242	49,650	51,140
Revenues from other independent sources	2,581	150	150	150	150
Expenses not requiring appropriation in the Budget year (b)	202	8,165	41	(54)	(354)
Total expenses for program 1.1	56,156	65,918	50,369	51,684	52,899
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill (No. 1) (a))	7,483	10,450	1,776	1,774	1,795
Payment from related entities	153	157	160	164	168
Special appropriations	45,737	46,996	48,242	49,650	51,140
Revenues from other independent sources	2,581	150	150	150	150
Expenses not requiring appropriation in the Budget year (b)	202	8,165	41	(54)	(354)
Total expenses for Outcome 1	56,156	65,918	50,369	51,684	52,899
	2025-26	2026-27			
Average staffing level (number)	222	222			

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

- a) Appropriation Bill (No. 1) 2026-27. APVMA is a CCE under the PGPA Act and does not receive direct appropriations. Appropriation is provided through DAFF and is specified with the Annual Appropriation Bills as payment to APVMA and is considered departmental for all purposes.
- b) 'Expenses not requiring appropriation in the budget year' are made up of audit fees, and can include depreciation / amortisation expenses not requiring an appropriation.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Table 2.2: Performance measure for Outcome 1

Table 2.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of the 2026-27 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1: Protection of the health and safety of people, animals, the environment, and agricultural and livestock industries through regulation of pesticides and veterinary medicines.	
Program 1.1: Australian Pesticides and Veterinary Medicines Authority	
Objective	APVMA regulates agricultural and veterinary chemicals to protect the health and safety of people, animals and the environment, and to support primary industries, biosecurity and international trade for all Australians.
Key Activities	<p>Achievement of the APVMA objective is achieved through the delivery of our five strategic objectives, each supported by a range of key activities.</p> <p>Being a trusted, transparent, and fair regulator</p> <p>Trust in the Australian Pesticides and Veterinary Medicines Authority (APVMA) by the Australian public is critical to maintaining confidence in Australian agricultural and veterinary (agvet) chemicals. To ensure we are trusted, transparent and fair, we will:</p> <ul style="list-style-type: none"> • regulate in an open, accountable and predictable way that encourages participation by all stakeholders • utilise best practice principles for risk management of agvet chemicals, underpinned by the best available science • build community confidence in the safety and efficacy of registered agvet chemicals • secure compliance with the Agvet Code through compliance and enforcement measures. <p>Supporting a contemporary regulatory system</p> <p>The APVMA actively works with domestic and international regulatory partners to enhance the efficiency and effectiveness of the Australian regulatory system. To ensure we support a contemporary regulatory system, we will:</p> <ul style="list-style-type: none"> • actively contribute to the domestic and global agvet chemical regulation policy development agenda • engage with trusted international chemical regulators for effective utilisation of their available data and scientific assessments • strengthen relationships with the state and territory agencies to ensure the coordinated, effective and harmonious regulation of agvet chemicals

Continued on following pages

Table 2.2: Performance measure for Outcome 1 (continued)

	<ul style="list-style-type: none"> enhance our capability to respond to emerging operational and policy risks in agvet chemical regulation. <p>Building regulatory foresight capability</p> <p>Foresight uses inputs from horizon scanning to understand how an issue or a system could evolve and the challenges and opportunities that may arise. The APVMA is committed to being proactive in meeting Australia’s future regulatory needs as they evolve. The APVMA will identify and implement ways of working and building our capability to support innovation within the agvet chemical sector and respond to Australia’s future regulatory needs. To ensure we build our regulatory foresight capability we will:</p> <ul style="list-style-type: none"> build the capacity to ensure the APVMA is at the cutting edge of scientific knowledge and regulatory practice engage with industry to understand and enable rapid response to emerging trends potentially impacting on agvet chemical regulation Performance measures engage with domestic and international regulators, industry representatives and others to assist in preparing for new technologies and enhancing current regulatory practices in Australia. <p>Striving for operational excellence</p> <p>The APVMA plays a critical role in ensuring Australians have access to safe and effective agvet chemicals. The APVMA drives ongoing enhancement in the processes involved in effective regulation. This will ensure the regulatory process does not pose an undue burden on the Australian agvet chemical sector. To ensure we achieve operational excellence, we will:</p> <ul style="list-style-type: none"> be focused on the full suite of our regulatory functions and legislative obligations ensure the quality and timeliness of our decisions are appropriate for the regulatory risk operate on a financially sustainable basis across the long-term business cycle adopt a continuous improvement approach to enhance the efficiency and effectiveness of our operations streamline our enabling services to ensure they add value and enhance our regulatory capability, and capacity invest in our ICT infrastructure and the management of our data holdings to ensure it is fit for purpose and adds value, efficiency, and effectiveness to the regulatory process
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Continued on following pages

Table 2.2: Performance measure for Outcome 1 (continued)

	<p>Attracting, developing and retaining talented people</p> <p>Our people are critical to the delivery of an efficient and effective agvet chemical regulatory system. To ensure we attract, develop, retain and source talented people, and expertise, we will:</p> <ul style="list-style-type: none"> empower a high-performing, diverse and agile workforce that is highly engaged with our purpose strengthen our values-based organisational culture drive a culture focused on the safety and well-being of staff invest in the professional and leadership development of our people provide opportunities for career progression, and growth invest in a network of talent and expertise that can be utilised to supplement the work of APVMA staff in delivering our regulatory responsibilities. 	
Year	Performance measures	Expected Performance Results
Current year 2025-26	The proportion of all applications finalised within legislative timeframes.	Target: 90 per cent Target at risk of being achieved due to capacity constraints
	The number of Proposed and Final Regulatory Decisions for chemical reconsiderations that are released in accordance with the timeframe specified in the workplan.	Target: All planned milestones/projects planned for delivery in the reporting period have met schedule. Target at risk of being achieved due to capacity constraints
	The proportion of serious adverse experience reports received and assessments completed by the APVMA within 20 business days of being received.	Target: 75 per cent Target expected to be achieved
	The proportion of regulatory and business enabling activities that pass quality audits.	Target: 95 per cent Target expected to be achieved
	Proportion of APVMA staff who report a high level of engagement with the APVMA	Target: 75 per cent Target expected to be achieved

Continued on following pages

Table 2.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Planned Performance Results		
Budget Year 2026-27	The proportion of all applications finalised within legislative timeframes.	90 per cent		
	The number of Proposed and Final Regulatory Decisions for chemical reconsiderations that are released in accordance with the timeframe specified in the workplan.	All planned milestones/projects planned for delivery in the reporting period have met schedule.		
	The proportion of serious adverse experience reports received and assessments completed by the APVMA within 20 business days of being received.	75 per cent		
	The proportion of regulatory and business enabling activities that pass quality audits.	95 per cent		
	Proportion of APVMA staff who report a high level of engagement with the APVMA	75 per cent		
Year	Performance measures	Planned Performance Results		
		2027-28	2028-29	2029-30
Forward Estimates 2027-30	The proportion of all applications finalised within legislative timeframes.	90 per cent		
	The number of Proposed and Final Regulatory Decisions for chemical reconsiderations that are released in accordance with the timeframe specified in the workplan.	All planned milestones/projects planned for delivery in the reporting period have met schedule.		
	The proportion of serious adverse experience reports received and assessments completed by the APVMA within 20 business days of being received.	75 per cent		
	The proportion of regulatory and business enabling activities that pass quality audits.	95 per cent		
	Proportion of APVMA staff who report a high level of engagement with the APVMA	75 per cent	78 per cent	78 per cent

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026-27 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

The resourcing statement is prepared on a cash basis. The financial statements are prepared on an accrual basis. Differences between the resourcing and financial statements represent timing differences between revenue recognition and cash received.

3.1.2 Explanatory notes and analysis of budgeted financial statements

In 2026-27, the APVMA will receive an increase to appropriation funding from Government of \$8.7 million. An operating deficit of \$8.0 million is forecast in relation to expenditure delayed from previous financial years, and will be funded by accumulated results from previous financial years.

3.2 Budgeted financial statements tables

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
EXPENSES					
Employee benefits	37,745	41,634	38,769	39,931	41,129
Suppliers	15,630	21,481	8,901	9,049	9,059
Depreciation and amortisation	2,442	2,497	2,426	2,466	2,466
Finance costs	339	306	273	238	245
Total expenses	56,156	65,918	50,369	51,684	52,899
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other	2,581	150	150	150	150
Total own-source revenue	2,581	150	150	150	150
Total own-source income	2,581	150	150	150	150
Net cost of (contribution by) services	53,575	65,768	50,219	51,534	52,749
Revenue from Government					
Commonwealth contribution	7,483	10,450	1,776	1,774	1,795
Industry contributions	45,737	46,996	48,242	49,650	51,140
Payment from related entities	153	157	160	164	168
Total revenue from Government	53,373	57,603	50,178	51,588	53,103
Surplus/(deficit) attributable to the Australian Government	(202)	(8,165)	(41)	54	354
Total comprehensive income/(loss) attributable to the Australian Government	(202)	(8,165)	(41)	54	354

Continued on following page

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)**Note: Impact of net cash appropriation arrangements**

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(202)	(8,165)	(41)	54	354
plus: depreciation/amortisation expenses for ROU assets (a)	1,564	1,580	1,580	1,580	1,580
less: lease principal repayments (a)	(1,362)	(1,448)	(1,539)	(1,634)	(1,934)
Net Cash Operating Surplus/ (Deficit)	-	(8,033)	-	-	-

Prepared on Australian Accounting Standards basis.

(a) Applies to leases under AASB 16 Leases.

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	2,677	2,317	1,957	1,597	1,747
Trade and other receivables	43,080	35,844	36,570	37,306	37,922
Total financial assets	45,757	38,161	38,527	38,903	39,669
Non-financial assets					
Land and buildings	14,573	12,656	10,739	8,822	6,905
Property, plant and equipment	497	536	430	374	288
Intangibles	734	745	822	839	496
Other non-financial assets	1,001	1,001	1,001	1,001	1,001
Total non-financial assets	16,805	14,938	12,992	11,036	8,690
Total assets	62,562	53,099	51,519	49,939	48,359
LIABILITIES					
Payables					
Suppliers	1,313	1,313	1,313	1,313	1,313
Other payables	1,146	1,146	1,146	1,146	1,146
Total payables	2,459	2,459	2,459	2,459	2,459
Interest bearing liabilities					
Leases	14,310	12,862	11,323	9,689	7,755
Total interest bearing liabilities	14,310	12,862	11,323	9,689	7,755
Provisions					
Employee provisions	7,158	7,158	7,158	7,158	7,158
Total provisions	7,158	7,158	7,158	7,158	7,158
Total liabilities	23,927	22,479	20,940	19,306	17,372
Net assets	38,635	30,620	30,579	30,633	30,987
EQUITY*					
Parent entity interest					
Reserves	706	856	856	856	856
Retained surplus/(accumulated deficit)	37,929	29,764	29,723	29,777	30,131
Total parent entity interest	38,635	30,620	30,579	30,633	30,987
Total Equity	38,635	30,620	30,579	30,633	30,987

*'Equity' is the residual interest in assets after deduction of liabilities.
Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity – summary of movement (Budget year 2026-27)

	Retained earnings \$'000	Revaluation Asset Reserve \$'000	Total equity \$'000
Opening balance as at 1 July 2026			
Balance carried forward from previous period	37,929	706	38,635
Adjusted opening balance	37,929	706	38,635
Comprehensive income			
Other Comprehensive income	-	150	150
Surplus/(deficit) for the period	(8,165)	-	(8,165)
Total comprehensive income	(8,165)	150	(8,015)
of which:			
Attributable to the Australian Government	(8,165)	150	(8,015)
Estimated closing balance as at 30 June 2027	29,764	856	30,620
Closing balance attributable to the Australian Government	29,764	856	30,620

Prepared on Australian Accounting Standards basis.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Revenue from Government	52,467	64,839	49,452	50,852	52,487
Net GST received	380	380	380	380	380
Other	96	96	96	96	96
Total cash received	52,943	65,315	49,928	51,328	52,963
Cash used					
Employees	37,745	41,634	38,769	39,931	41,129
Suppliers	13,525	21,807	9,227	9,375	9,385
Interest payments on lease liability	339	306	273	238	245
Total cash used	51,609	63,747	48,269	49,544	50,759
Net cash from (used by) operating activities	1,334	1,568	1,659	1,784	2,204
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	753	480	480	510	120
Total cash used	753	480	480	510	120
Net cash from (used by) investing activities	(753)	(480)	(480)	(510)	(120)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	1,362	1,448	1,539	1,634	1,934
Total cash used	1,362	1,448	1,539	1,634	1,934
Net cash from (used by) financing activities	(1,362)	(1,448)	(1,539)	(1,634)	(1,934)
Net increase (decrease) in cash held	(781)	(360)	(360)	(360)	150
Cash and cash equivalents at the beginning of the reporting period	3,458	2,677	2,317	1,957	1,597
Cash and cash equivalents at the end of the reporting period	2,677	2,317	1,957	1,597	1,747

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources (a)	753	480	480	510	120
TOTAL	753	480	480	510	120
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	753	480	480	510	120
Total cash used to acquire assets	753	480	480	510	120

Prepared on Australian Accounting Standards basis.

(a) Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

Includes the following s74 external receipts:

- internally developed assets; and
- proceeds from the sale of assets.

Table 3.6: Statement of departmental asset movements (Budget year 2026-27)

	Buildings \$'000	Other property, plant and equipment \$'000	Intangibles \$'000	Total \$'000
As at 1 July 2026				
Gross book value	8,230	796	10,324	19,350
Gross book value – ROU (a)	14,721	-	-	14,721
Accumulated depreciation/amortisation and impairment	(353)	(299)	(9,590)	(10,242)
Accumulated depreciation/amortisation and impairment – ROU (a)	(8,025)	-	-	(8,025)
Opening net book balance	14,573	497	734	15,804
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase – other (b)	-	120	360	480
Total additions	-	120	360	480
Other movements				
Depreciation/amortisation expense	337	231	349	917
Depreciation/amortisation expense – ROU (a)	1,580	-	-	1,580
Other	-	150	-	150
Total other movements	1,917	381	349	2,497
As at 30 June 2027				
Gross book value	8,230	1,066	10,684	19,980
Gross book value – ROU (a)	14,721	-	-	14,721
Accumulated depreciation/amortisation and impairment	(690)	(530)	(9,939)	(11,159)
Accumulated depreciation/amortisation and impairment – ROU (a)	(9,605)	-	-	(9,605)
Closing net book balance	12,656	536	745	13,937

Prepared on Australian Accounting Standards basis.

(a) Applies to leases under AASB 16 Leases.

(b) 'By purchase – other' refers to funding provided through other internal funding sources.

Cotton Research and Development Corporation

**Entity resources and planned
performance**

Cotton Research and Development Corporation

- Section 1: Entity overview and resources 153**
- 1.1 Strategic direction statement..... 153
- 1.2 Entity resource statement..... 155
- 1.3 Budget measures 157
- Section 2: Outcomes and planned performance 158**
- 2.1 Budgeted expenses and performance for Outcome 1 159
- Section 3: Budgeted financial statements..... 164**
- 3.1 Budgeted financial statements 164
- 3.2 Budgeted financial statements tables 166

Cotton Research and Development Corporation

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Cotton Research and Development Corporation (CRDC) delivers outcomes in cotton research, development and extension (RD&E) on behalf of Australia's cotton growers and the Australian Government. Established in October 1990 and operating under the *Primary Industries Research and Development Act 1989*, and now *Primary Industries Levies and Charges Disbursement Act 2024 – s37 Agricultural Resources (PILCD Act)*, CRDC exists to grow the sustainable future of cotton through innovation with impact.

CRDC delivers world-class RD&E outcomes through thought leadership, innovation, adoption, collaboration, and partnerships. Cotton growers are at the heart of CRDC's activity: they determine CRDC's RD&E priorities and co-fund the resulting research through a grower levy, matched by Commonwealth contributions. CRDC is based in Narrabri, NSW: the heart of one of Australia's major cotton growing regions and home to the Australian Cotton Research Institute.

Cotton is a major contributor to the nation's economic, environmental, and social fabric. According to the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES), the value of exported cotton is expected to be close to \$2.8 billion in 2026–27.

Australia's cotton is among the most sustainable in the world, thanks in part to the RD&E that underpins it. Compared to 1992, Australian cotton growers use 97 per cent less pesticides, 52 per cent less water, and 34 per cent less land to grow a bale of cotton.

Cotton employs more than 12,000 people across 150 rural and regional communities, many of which rely heavily on cotton for their economic prosperity and viability. Each year, Australia grows enough of this high-quality natural fibre to clothe 500 million people.

Innovative and adaptive growers, supported by RD&E and world-leading researchers, have driven Australian cotton's success. CRDC's role is to continue driving this success through RD&E.

CRDC's investments are governed by a five-year strategic plan: *Clever Cotton*, CRDC's Strategic RD&E Plan for 2023-2028. *Clever Cotton* sets out CRDC's vision for a sophisticated, prosperous and sustainable Australian cotton industry that is strongly connected to its value chain.

The strategic RD&E investments that CRDC will make in 2026–27 under Clever Cotton will help the industry increase its productivity and profitability; sustainably address the impacts of climate change and improve decision making using data and digital technologies. CRDC’s goal is to add an additional \$1 billion in economic value to the Australian cotton industry over the next five to ten years.

Clever Cotton contains three pillars of investment – Paddock, People, Planet – aligned with the Australian Cotton Industry’s Sustainability Framework. Each of these pillars contains three themes, creating nine key investment areas:

1. Paddock: Our future fields
 - Data-driven decisions
 - Adaptive systems
 - Connected market intelligence.
2. People: Central to our success
 - Design and innovation
 - Leadership and capacity
 - Adoption and impact.
3. Planet: Our shared future
 - Natural capital
 - Carbon
 - Circular economy.

To help achieve this, Australian cotton growers and the Australian Government aim to co-invest \$125 million into cotton RD&E during 2023–2028, across these key focus areas.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (Government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4: Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome' table in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Cotton Research and Development Corporation resource statement – Budget estimates for 2026-27 as at Budget May 2026

	2025-26 <i>Estimated actual</i> \$'000	2026-27 Estimate \$'000
Opening balance/cash reserves at 1 July	47,825	44,846
Funds from Government		
Special appropriations (a)		
<i>Primary Industries Levies and Charges Disbursement Act 2024 – s37</i>		
Agricultural Resources	28,951	22,478
Total special appropriations	28,951	22,478
Total funds from Government	28,951	22,478
Funds from industry sources		
Levies (b)	10,807	8,509
<i>less amounts paid to the CRF</i>	<i>(10,807)</i>	<i>(8,509)</i>
Total funds from industry sources	-	-
Funds from other sources		
Interest	1,613	1,000
Royalties	82	25
Grants	2,848	3,519
Other	549	406
Total funds from other sources	5,092	4,950
Total net resourcing for CRDC	81,868	72,274
	2025-26	2026-27
Average staffing level (number)	21	21

- (a) CRDC's special appropriation is not directly appropriated as it is a corporate Commonwealth entity (CCE) under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Appropriation is made to the Department of Agriculture, Fisheries and Forestry (DAFF) and are then paid to CRDC and are considered departmental for all purposes.
- (b) The levies are imposed by the *Primary Industries (Excise) Levies Act 2024*, or the *Primary Industries (Services) Levies Act 2024*, and charges imposed under the *Primary Industries (Customs) Charges Act 2024*. The levies are collected by DAFF under the *Primary Industries Levies and Charges Collection Act 2024* and the *Primary Industries Levies and Charges Collection Rules 2024* and transferred to the Consolidated Revenue Fund (CRF). These amounts are then drawn down by the department as a special appropriation and paid to CRDC under the *Primary Industries Levies and Charges Disbursement Act 2024 – s37* Agricultural Resources.

Please note: All figures shown above are GST exclusive – these may not match figures in the cash flow statement.

Prepared on a resourcing (i.e. appropriations available) basis.

1.3 Budget measures

Budget measures in Part 1 relating to Cotton Research and Development Corporation are detailed in the *Budget Paper No. 2* and are summarised below.

Table 1.2: Cotton Research and Development Corporation 2026-27 Budget measures

Part 1: Measures announced since the 2025-26 Mid-Year Economic and Fiscal Outlook (MYEFO)

Cotton Research and Development Corporation does not have any 2026-27 Budget measures.

Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance measure described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide a complete picture of an entity's planned and actual performance.

The most recent corporate plan for the Cotton Research and Development Corporation can be found at: <https://www.crdc.com.au/publications/crdc-strategic-plan>.

The most recent annual performance statement for the Cotton Research and Development Corporation can be found at: <http://www.crdc.com.au/publications/crdc-annual-report>.

2.1: Budgeted expenses and performance for Outcome 1

Outcome 1: Adoption of innovation that leads to increased productivity, competitiveness and environmental sustainability through investment in research and development that benefits the Australian cotton industry and the wider community.

2.1.1: Linked programs

Department of Agriculture, Fisheries and Forestry

Program 1.10: Agricultural Resources

Contribution to Outcome 1 made by linked program:

CRDC works together with DAFF to ensure a sustainable, productive, and profitable cotton industry.

2.1.2: Budgeted expenses for Outcome 1

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: Adoption of innovation that leads to increased productivity, competitiveness and environmental sustainability through investment in research and development that benefits the Australian cotton industry and the wider community.

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 1.1: Cotton Research and Development Corporation					
Revenue from Government					
Special appropriations					
<i>Primary Industries Levies and Charges Disbursement Act 2024 – s37 Agricultural Resources</i>	16,472	13,969	11,552	8,304	6,564
Industry contribution	10,807	8,509	6,299	4,420	4,752
Revenues from other independent sources	5,130	4,794	4,652	4,028	2,994
Expenses not requiring appropriation in the budget year (a)	833	9,151	10,431	6,224	7,442
Total expenses for program 1.1	33,242	36,423	32,934	22,976	21,752
Outcome 1 totals by resource type					
Revenue from Government					
Special appropriations	16,472	13,969	11,552	8,304	6,564
Revenues from industry sources	10,807	8,509	6,299	4,420	4,752
Revenues from other independent sources	5,130	4,794	4,652	4,028	2,994
Expenses not requiring appropriation in the budget year (a)	833	9,151	10,431	6,224	7,442
Total expenses for Outcome 1	33,242	36,423	32,934	22,976	21,752

	2025-26	2026-27
Average staffing level (number)	21	21

(a) 'Expenses not requiring appropriation in the budget year' are made up of make good expenses, audit fees, and can include depreciation / amortisation expenses not requiring an appropriation.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Prepared on Australian Accounting Standards basis.

Table 2.2 Performance measure for Outcome 1

Table 2.2 details the performance measures for each program associated with Outcome 1. It also summarises how each program is delivered and where relevant, the 2026-27 Budget measures have created new programs or materially changed existing programs are provided.

As an entity established under the PILCD Act, CRDC does not produce a Corporate Plan under the PGPA Act and is therefore exempt from the requirement to map purposes to outcomes.

Outcome 1: Adoption of innovation that leads to increased productivity, competitiveness and environmental sustainability through investment in research and development that benefits the Australian cotton industry and the wider community.		
Program 1.1: Cotton Research and Development Corporation		
Objective 1	PADDOCK – Our future fields: Focuses on the on-farm cotton system. Unites data and insights to support thriving cotton farms producing a premium product being demanded by the market.	
Key Activities 1	Data-driven decisions Improve productivity, profitability and sustainability by accurately monitoring and measuring every field on every cotton farm.	
	Adaptive systems Grow the profitability and resilience of Australian cotton farming systems through innovative solutions, technologies and practices.	
	Connected market intelligence Enhance the sustainability, market access and diversity, and value of Australian cotton.	
Year	Performance measures	Expected Performance Results
Current year 2025-26	The economic value added to the industry over the next five to ten years. The 2028 target for added value is \$1 billion.	The rolling five-year gross value of production is increased by \$0.2 billion. On target.
Year	Performance measures	Planned Performance Results
Budget Year 2026-27	As per 2025-26.	As per 2025-26.
Forward Estimates 2027-30	As per 2025-26.	As per 2025-26.

Continued on following pages

Table 2.2 Performance measure for Outcome 1 (continued)

Objective 2	PEOPLE – Central to our success: Ensure that in developing our world-class research capability, we are providing practical RD&E solutions and increasing the reach and impact of adoption.	
Key Activities 2	Design and innovation Embed collaboration in RD&E prioritisation, design, development and adoption.	
	Leadership and capacity Develop people and skills to support industry RD&E.	
	Adoption and impact Adopt knowledge and technology through dedicated development and delivery pathways.	
Year	Performance measures	Expected Performance Results
Current year 2025-26	The level of satisfaction in CRDC by growers and research partners.	Surveys demonstrate growers and research partners are satisfied with CRDC's performance. <i>On target.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2026-27	As per 2025-26.	As per 2025–26.
Forward Estimates 2027-30	As per 2025-26.	As per 2025-26.

Continued on following pages

Table 2.2 Performance measure for Outcome 1 (continued)

Objective 3	PLANET – Our shared future: Ensure the cotton industry contributes positively to the environment, meeting community, government and market expectations.	
Key Activities 3	Natural capital Implement resilient natural capital practices that support productivity, help maintain biodiverse ecosystems, strengthen capacity for adaptation to climate change and progressively improve regional water, land and soil quality.	
	Carbon Establish a sustainable low-carbon production system for a changing future.	
	Circular economy Develop the circular economy for Australian cotton.	
Year	Performance measures	Expected Performance Results
Current year 2025-26	The level of trust the cotton industry has from the community, the market and government about how it manages and reports on its environmental and social impacts.	Surveys demonstrate trust from community, the market and government about cotton's management and reporting of environmental and social impacts. On target.
Year	Performance measures	Planned Performance Results
Budget Year 2026-27	As per 2025-26.	As per 2025-26.
Forward Estimates 2027-30	As per 2025-26.	As per 2025-26.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026-27 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1: Differences between entity resourcing and financial statements

The resourcing statement is prepared on a cash basis. The financial statements are prepared on an accrual basis. Differences between the resourcing and financial statements represent timing differences between revenue recognition and cash received.

3.1.2: Explanatory notes and analysis of budgeted financial statements

Budgeted Comprehensive Income Statement

Variability in CRDC's revenue and expenditure is a result of significant fluctuations in the production of Australian cotton each year. Cotton production has been as low as 0.6 million bales in 2008 and 2020, as high as 5.4 million bales in 2012 and 5.6 million bales in 2022, and is estimated to be 3.0 million bales in 2026–27.

Revenue from industry levies and matching contributions from the Australian Government are determined by the level of cotton production and historically represent more than 75 per cent of total revenue. Since 2007–08 CRDC's revenue has fluctuated between \$7.0 million and \$30.9 million per annum.

The impact of a highly variable revenue stream on CRDC's investment in RD&E is minimised by managing cash reserves. During periods of high revenue CRDC builds up reserves by operating in surplus. During periods of low revenue CRDC draws on reserves by operating under approved deficits. This financial strategy allows CRDC to maintain a more consistent level of RD&E expenditure each year.

Matching contributions from the Australian Government are determined by the lowest of either 50 per cent of the expenditure incurred by CRDC on research and development activities or 0.5 per cent of the cotton industry's three-year average gross value of production. Royalties, interest on investments, external grant revenue and research project refunds make up the balance of CRDC's income.

To achieve the strategic priorities of the Strategic RD&E plan for the period 2023–2028, Clever Cotton, CRDC plans to invest a total of \$125 million over the five-year period.

In 2026–27 CRDC has budgeted for a deficit of \$6.2 million based on revenues of \$27.3 million and RD&E expenditure of \$33.5 million.

Budgeted Balance Sheet

Reserves increased between 2010–11 to 2013–14 and 2022–23 to 2024–25 during years of high cotton production and decreased between 2014–15 to 2021–22 due to below average levels of cotton production. The 10-year average cotton production for 2015–16 to 2024–25 was 3.8 million bales. The 2025–26 autumn and summer had below average rainfall for most cotton regions, combined with average world cotton prices declining, resulted in reduced cotton production. These conditions are expected to tighten further in 2026–27. In 2026–27 CRDC estimates production will decline to the long-term average of 3.0 million bales.

CRDC plans to draw on reserves during the next four years of below average production to ensure RD&E expenditure is maintained.

3.2 Budgeted financial statements tables

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
EXPENSES					
Employee benefits	4,025	4,227	4,447	4,676	4,878
Suppliers	1,765	1,773	1,612	1,653	1,733
Grants	27,240	30,211	26,663	16,435	14,929
Depreciation and amortisation	212	212	212	212	212
Total expenses	33,242	36,423	32,934	22,976	21,752
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	1,800	1,000	500	500	500
Grants	2,652	3,376	3,480	3,253	2,219
Royalties	82	25	25	25	25
Other	400	250	250	250	250
Total own-source revenue	4,934	4,651	4,255	4,028	2,994
Total own-source income	4,934	4,651	4,255	4,028	2,994
Net cost of (contribution by) services	28,308	31,772	28,679	18,948	18,758
Revenue from Government (a)					
Commonwealth contribution	16,472	13,969	11,552	8,304	6,564
Industry contributions	10,807	8,509	6,299	4,420	4,752
Other grants	196	143	397	-	-
Total revenue from Government	27,475	22,621	18,248	12,724	11,316
Surplus/(deficit) attributable to the Australian Government	(833)	(9,151)	(10,431)	(6,224)	(7,442)
Total comprehensive income/(loss) attributable to the Australian Government	(833)	(9,151)	(10,431)	(6,224)	(7,442)

(a) Revenue from Government includes a Commonwealth contribution and levies collected from industry by DAFF for R&D activities under the PILCD Act.

Prepared on Australian Accounting Standards basis.

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	6,846	5,618	3,194	2,011	1,701
Trade and other receivables	2,900	2,900	2,900	2,900	2,900
Investments	38,000	30,000	22,000	17,000	10,000
Total financial assets	47,746	38,518	28,094	21,911	14,601
Non-financial assets					
Land and buildings	1,030	1,230	1,230	1,230	1,230
Property, plant and equipment	986	943	1,016	1,055	1,003
Total non-financial assets	2,016	2,173	2,246	2,285	2,233
Total assets	49,762	40,691	30,340	24,196	16,834
LIABILITIES					
Payables					
Suppliers	115	115	115	115	115
Grants	3,000	3,000	3,000	3,000	3,000
Total payables	3,115	3,115	3,115	3,115	3,115
Provisions					
Employee provisions	743	823	903	983	1,063
Total provisions	743	823	903	983	1,063
Total liabilities	3,858	3,938	4,018	4,098	4,178
Net assets	45,904	36,753	26,322	20,098	12,656
EQUITY*					
Parent entity interest					
Reserves	385	385	385	385	385
Retained surplus/(accumulated deficit)	45,519	36,368	25,937	19,713	12,271
Total parent entity interest	45,904	36,753	26,322	20,098	12,656
Total Equity	45,904	36,753	26,322	20,098	12,656

*'Equity' is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity – summary of movement (Budget year 2026-27)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Total equity \$'000
Opening balance as at 1 July 2026			
Balance carried forward from previous period	45,519	385	45,904
Adjusted opening balance	45,519	385	45,904
Comprehensive income			
Surplus/(deficit) for the period	(9,151)	-	(9,151)
Total comprehensive income	(9,151)	-	(9,151)
of which:			
Attributable to the Australian Government	(9,151)	-	(9,151)
Estimated closing balance as at 30 June 2027	36,368	385	36,753
Closing balance attributable to the Australian Government	36,368	385	36,753

Prepared on Australian Accounting Standards basis.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Revenue from Government	18,058	13,969	11,552	8,304	6,564
Industry contributions	10,893	8,509	6,299	4,420	4,752
Other Government Grants	196	143	397	-	-
Other Industry Grants	2,652	3,376	3,480	3,253	2,219
Interest	1,613	1,000	500	500	500
Net GST received	2,405	2,449	2,379	1,374	-
Other	553	275	275	275	275
Total cash received	36,370	29,721	24,882	18,126	14,310
Cash used					
Employees	3,945	4,147	4,367	4,596	4,798
Suppliers	2,266	1,773	1,612	1,653	1,733
Grants	32,796	32,660	29,042	17,809	14,929
Total cash used	39,007	38,580	35,021	24,058	21,460
Net cash from (used by) operating activities	(2,637)	(8,859)	(10,139)	(5,932)	(7,150)
INVESTING ACTIVITIES					
Cash received					
Proceeds from sale of property, plant and equipment	78	156	320	78	156
Investments	62,000	48,000	26,000	17,000	17,000
Total cash received	62,078	48,156	26,320	17,078	17,156
Cash used					
Purchase of property, plant and equipment and intangibles	420	525	605	329	316
Investments	62,000	40,000	18,000	12,000	10,000
Total cash used	62,420	40,525	18,605	12,329	10,316
Net cash from (used by) investing activities	(342)	7,631	7,715	4,749	6,840
Net increase (decrease) in cash held	(2,979)	(1,228)	(2,424)	(1,183)	(310)
Cash and cash equivalents at the beginning of the reporting period	9,825	6,846	5,618	3,194	2,011
Cash and cash equivalents at the end of the reporting period	6,846	5,618	3,194	2,011	1,701

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources (a)	420	525	605	329	316
TOTAL	420	525	605	329	316
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	420	525	605	329	316
Total cash used to acquire assets	420	525	605	329	316

- (a) Includes the following section 74 external revenue:
- internally developed assets; and
 - proceeds from the sale of assets.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2026-27)

	Land	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2026					
Gross book value	192	883	1,399	132	2,606
Accumulated depreciation/amortisation and impairment	-	(45)	(413)	(132)	(590)
Opening net book balance	192	838	986	-	2,016
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase – other (a)	-	225	300	-	525
Total additions	-	225	300	-	525
Other movements					
Depreciation/ amortisation expense	-	(25)	(187)	-	(212)
Disposals at gross value	-	-	(290)	-	(290)
Disposals add back depreciation/amortisation	-	-	134	-	134
Total other movements	-	(25)	(343)	-	(368)
As at 30 June 2027					
Gross book value	192	1,108	1,409	132	2,841
Accumulated depreciation/ amortisation and impairment	-	(70)	(466)	(132)	(668)
Closing net book balance	192	1,038	943	-	2,173

(a) 'By purchase – other' refers to funding provided through other internal funding sources.

Prepared on Australian Accounting Standards basis.

Fisheries Research and Development Corporation

Entity resources and planned performance

Fisheries Research and Development Corporation

- Section 1: Entity overview and resources 177**
- 1.1 Strategic direction statement..... 177
- 1.2 Entity resource statement..... 179
- 1.3 Budget measures 181
- Section 2: Outcomes and planned performance 182**
- 2.1 Budgeted expenses and performance for Outcome 1 183
- Section 3: Budgeted financial statements..... 187**
- 3.1 Budgeted financial statements 187
- 3.2 Budgeted financial statements tables 188

Fisheries Research and Development Corporation

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Fisheries Research and Development Corporation (FRDC) is dedicated to collaboration with fishing and aquaculture sectors to identify, and deliver impactful research, development and extension activities. Our activities encompass environments ranging from the northern tropics to temperate seas, icy Antarctic waters to freshwater rivers and lakes, and estuaries to land-based aquaculture across Australia.

We invest in people and innovation to ensure healthy aquatic environments, fostering thriving fishing and aquaculture for the benefit of all Australians.

Operating under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), FRDC upholds high standards of accountability while maintaining the independence required of a statutory authority. Our three representative organisations, declared under the *Primary Industries Levies and Charges Disbursement Act 2024* (PILCD Act), are Seafood Industry Australia, Australian Recreational Fishing Foundation Limited, and the Commonwealth Fisheries Association Inc. We also engage the Indigenous Reference Group in all our representative organisations' activities.

FRDC collaborates with a diverse and geographically dispersed group of stakeholders who share a connection and interest in fishing and aquaculture. These stakeholders include Indigenous, commercial wild catch and recreational fishers, aquaculturists, researchers, managers, supply chain workers, government and non-government organisations, and the broader Australian community.

Our investments are guided by stakeholder input and driven by innovation and collaboration. We focus on driving extension for impact through informed, evidence-based practices. The FRDC RD&E Plan 2025-30 reinforces our core values of Sustainability, People, Knowledge, and Trust by:

- Maintaining and developing new collaborative partnerships, including cross-sectoral and enduring programs.
- Understanding desired end states to address complex issues and designing steps to achieve those goals.
- Measuring progress to understand impactful change and ensure accountability.

We apply and report on our performance through metrics embedded in our Performance Framework and our RD&E plan Key Performance Indicators. Our Statutory Funding Agreement and Guidelines provide guidance on these aspects.

The FRDC RD&E Plan 2025-30 outlines five key themes for our investments:

1. Growing, resilient, and innovative - Ensuring enduring growth and resilience to challenges through innovation
2. Best practices and production systems - Diverse economic, ecological, and social benefits through best practice aquatic resource use
3. Capable and diverse people - Promoting diversity, growing participation, and developing skilled, adaptable people
4. Secure access and resource allocation - Ensuring fair and integrated management of aquatic resources, providing certainty and confidence
5. Community trust, acceptance, and value - People share, use and feel positive about fishing and aquaculture's products, services and experiences

FRDC's investments span short, medium, and long-term, high/low-risk, and strategic and adaptive Research, Development & Extension (RD&E) to meet stakeholder needs. These needs ultimately guide FRDC's RD&E investments to deliver planned end-user-driven solutions while responding to national, regional, sectoral, and global goals.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (Government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4: Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome' table in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Fisheries Research and Development Corporation resource statement – Budget estimates for 2026-27 as at Budget May 2026

	2025-26 Estimated actual \$'000	2026-27 Estimate \$'000
Opening balance/cash reserves at 1 July	23,808	21,935
Funds from Government		
Special appropriations (a)	29,937	30,238
<i>Primary Industries Levies and Charges Disbursement Act 2024 – s37 Fishing Industry</i>	29,937	30,238
Total special appropriations		
Total funds from Government	29,937	30,238
Funds from industry sources		
Levies (b)	1,523	1,348
<i>less amounts paid to the CRF</i>	(1,523)	(1,348)
Industry contributions	12,990	11,293
Total funds from industry sources	12,990	11,293
Funds from other sources		
Interest	500	400
Other	15,597	9,266
Total funds from other sources	16,097	9,666
Total net resourcing for FRDC	82,832	73,132
	2025-26	2026-27
Average staffing level (number)	46	46

(a) FRDC's special appropriation is not directly appropriated as it is a corporate Commonwealth entity (CCE) under the PGPA Act. Appropriation is made to the Department of Agriculture, Fisheries and Forestry (DAFF) and are then paid to FRDC and are considered departmental for all purposes.

(b) The levies are imposed by the *Primary Industries (Excise) Levies Act 2024*, or the *Primary Industries (Services) Levies Act 2024*, and charges imposed under the *Primary Industries (Customs) Charges Act 2024*. The levies are collected by DAFF under the *Primary Industries Levies and Charges Collection Act 2024* and the *Primary Industries Levies and Charges Collection Rules 2024* and transferred to the Consolidated Revenue Fund (CRF). These amounts are then drawn down by the department as a special appropriation and paid to FRDC under the *Primary Industries Levies and Charges Disbursement Act 2024 – s37 Fishing Industry*.

Please note: All figures shown above are GST exclusive – these may not match figures in the cash flow statement.

Prepared on a resourcing (i.e. appropriations available) basis.

1.3 Budget measures

Budget measures in Part 1 relating to Fisheries Research and Development Corporation are detailed in the *Budget Paper No. 2* and are summarised below.

Table 1.2: Fisheries Research and Development Corporation 2026-27 Budget measures

Part 1: Measures announced since the 2025-26 Mid-Year Economic and Fiscal Outlook (MYEFO)

Fisheries Research and Development Corporation does not have any 2026-27 Budget measures.

Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance measure described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide a complete picture of an entity's planned and actual performance.

While the FRDC reports against an annual framework, as an organisation that invests in science, the benefit of those investments endures over a longer time.

The most recent corporate plans (annual operating plan and research development and extension plan for the Fisheries Research and Development Corporation can be found at: <https://www.frdc.com.au/annual-operational-plans>, and <https://www.frdc.com.au/strategic-planning-and-priorities>.

The most recent annual performance statement for the Fisheries Research and Development Corporation can be at: <https://www.frdc.com.au/frdc-annual-report-2024-25>.

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Increased economic, social and environmental benefits for Australian fishing and aquaculture, and the wider community, by investing in knowledge, innovation, and marketing.

2.1.1: Linked programs

Department of Agriculture, Fisheries and Forestry

Program 1.4: Fishing Industry

Contribution to Outcome 1 made by linked program:

FRDC works together with DAFF to ensure fishing and aquaculture in Australia is sustainable, productive, and profitable.

2.1.2: Budgeted expenses for Outcome 1

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

Table 2.1.1: Budgeted expenses for Outcome 1

Outcome 1: Increased economic, social and environmental benefits for Australian fishing and aquaculture, and the wider community, by investing in knowledge, innovation, and marketing.

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 1.1: Fisheries Research and Development Corporation					
Revenue from Government					
Special appropriations					
<i>Primary Industries Levies and Charges Disbursement Act 2024 – s37 Fishing Industry</i>	29,895	30,193	31,106	32,359	33,245
Revenues from industry sources	12,971	11,275	12,254	12,822	13,272
Revenues from other independent sources	500	400	400	400	400
Expenses not requiring appropriation	15,177	9,186	3,194	3,197	3,197
Total expenses for program 1.1	58,543	51,054	46,954	48,778	50,114
Outcome 1 totals by resource type					
Revenue from Government					
Special appropriations	29,895	30,193	31,106	32,359	33,245
Revenues from industry sources	12,971	11,275	12,254	12,822	13,272
Revenues from other independent sources	500	400	400	400	400
Expenses not requiring appropriation	15,177	9,186	3,194	3,197	3,197
Total expenses for Outcome 1	58,543	51,054	46,954	48,778	50,114

	2025-26	2026-27
Average staffing level (number)	46	46

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Prepared on Australian Accounting Standards basis.

Table 2.2 Performance measure for Outcome 1

Table 2.2 details the performance measures for each program associated with Outcome 1. It also summarises how each program is delivered and where relevant, the 2026–27 Budget measures that have created new programs or materially changed existing programs are provided.

As an entity established under the PILCD Act, FRDC does not produce a corporate plan under the PGPA Act and is therefore exempt from the requirement to map purposes to outcomes.

Outcome 1: Increased economic, social and environmental benefits for Australian fishing and aquaculture, and the wider community, by investing in knowledge, innovation, and marketing.	
Program 1.1: Fisheries Research and Development Corporation	
Objective	FRDC invests in people and innovation to ensure healthy aquatic environments for thriving fishing and aquaculture.
Key Activities	<p>Throughout the 2026–27 financial year, FRDC's investment will progress a shared vision of what fishing and aquaculture will become in Australia by 2030. This will be achieved by investment in the five RD&E Plan themes in this second year of the Plan.</p> <p>In 2026–27, FRDC will focus its investments on addressing priority government and stakeholder initiatives, including supporting marine spatial planning, advancing alternative fishing gears, strengthening environmental stewardship and scaling the responsible use of artificial intelligence across fisheries and aquaculture RD&E. These efforts will underpin resilient, productive and sustainable seafood sectors, while enabling informed decision-making and future-ready management.</p> <p>The FRDC will continue to work with our stakeholder structures and programmatic partnerships to build collaboration and develop solutions to pressing and future needs and opportunities.</p> <p>Throughout the course of this Annual Operational Plan (AOP), FRDC will also work to drive R&D adoption by extension of R&D.</p> <p>The FRDC will continue to make our systems, procedures, and services more understandable and responsive to stakeholder needs, and form new, often unexpected alliances to address common issues. The FRDC will continue to evolve how we communicate impactful stories about what works and what doesn't.</p>

Continued on following page

Table 2.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Current year 2025-26	10 New economic opportunities explored. (a)	On track to deliver by 2030. Projects align with strategic priorities set out in FRDC's 2026–27 AOP and partner plans.
	6 Best practice tools for better decision making. (a)	
	A capable and diverse fisheries and aquaculture, with access to 5 new capability and capacity building programs. (a)	
	4 Improved pathways for managing key risks (e.g. biosecurity, disease, climate). (a)	
	Products are enjoyed, and sectors are supported and trusted by the community. (a)	
Year	Performance measures	Planned Performance Results
Budget Year 2026-27	As per 2025–26.	As per 2025–26.
Forward Estimates 2027-30	As per 2025–26.	As per 2025–26.

(a) Relates to the FRDC RD&E Plan 2025-30.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026-27 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1: Differences between entity resourcing and financial statements

The financial statements are prepared on an accrual basis where revenues and expenses are recognised as and when the resources are received and used. The entity resourcing table recognises the cash resources available to be used during the period and includes amounts recognised as revenue in previous periods.

3.1.2: Explanatory notes and analysis of budgeted financial statements

The FRDC's RD&E expenditure is dependent on the gross value of production (GVP) of the Australian seafood industry.

The GVP for the Australian seafood industry is expected to be broadly steady, with nominal growth from 2026–27. Over the medium term, the real value of fisheries and aquaculture production is projected to remain stable at around \$3.9 billion by 2030–31, as higher salmonid output offsets softer real prices and the recent rock lobster-led rebound in wild-catch value stabilises. Aquaculture's share is forecast to rise to 59% by 2030–31, while commercial income contributions are expected to remain around current levels.

Income contributions from the commercial sector are expected to maintain current levels.

3.2 Budgeted financial statements tables

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
EXPENSES					
Employee benefits	7,454	7,883	8,356	8,858	9,390
Suppliers	1,869	1,941	2,038	2,140	2,247
Grants	48,850	40,800	36,130	37,350	38,050
Depreciation and amortisation	340	400	400	400	400
Finance costs	30	30	30	30	27
Total expenses	58,543	51,054	46,954	48,778	50,114
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Contributions	12,990	11,293	12,073	12,836	13,981
Interest	500	400	400	400	400
Other	15,200	9,200	3,200	3,200	3,200
Total own-source revenue	28,690	20,893	15,673	16,436	17,581
Total own-source income	28,690	20,893	15,673	16,436	17,581
Net cost of (contribution by) services	29,853	30,161	31,281	32,342	32,533
Revenue from Government (a)					
Commonwealth contribution	29,937	30,238	31,356	32,392	32,588
Total revenue from Government	29,937	30,238	31,356	32,392	32,588
Surplus/(deficit) attributable to the Australian Government	84	77	75	50	55
Total comprehensive income/(loss) attributable to the Australian Government	84	77	75	50	55

Note: Impact of net cash appropriation arrangements

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	84	77	75	50	55
plus: depreciation/amortisation expenses for ROU assets (b)	170	200	200	200	200
less: lease principal repayments (b)	(164)	(224)	(170)	(167)	(167)
Net Cash Operating Surplus/ (Deficit)	90	53	105	83	88

(a) Revenue from Government includes a Commonwealth contribution under the PILCD Act and levies collected from industry by DAFF for R&D activities.

(b) Applies to leases under AASB 16 Leases. Right of Use (ROU).

Prepared on Australian Accounting Standards basis.

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	21,935	19,152	19,419	19,612	19,122
Trade and other receivables	1,866	1,762	1,730	1,730	2,448
Total financial assets	23,801	20,914	21,149	21,342	21,570
Non-financial assets					
Land and buildings	412	1,162	962	762	1,062
Property, plant and equipment	108	77	77	47	17
Intangibles	176	276	276	276	276
Total non-financial assets	696	1,515	1,315	1,085	1,355
Total assets	24,497	22,429	22,464	22,427	22,925
LIABILITIES					
Payables					
Projects	8,000	5,000	5,000	5,000	5,000
Suppliers	280	280	280	280	280
Total payables	8,280	5,280	5,280	5,280	5,280
Interest bearing liabilities					
Leases	488	1,243	1,103	936	1,299
Total interest bearing liabilities	488	1,243	1,103	936	1,299
Provisions					
Employee provisions	1,500	1,580	1,660	1,720	1,780
Total provisions	1,500	1,580	1,660	1,720	1,780
Total liabilities	10,268	8,103	8,043	7,936	8,359
Net assets	14,229	14,326	14,421	14,491	14,566
EQUITY*					
Parent entity interest					
Reserves	818	838	858	878	898
Retained surplus (accumulated deficit)	13,411	13,488	13,563	13,613	13,668
Total parent entity interest	14,229	14,326	14,421	14,491	14,566
Total Equity	14,229	14,326	14,421	14,491	14,566

*'Equity' is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity – summary of movement
(Budget year 2026-27)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Total equity \$'000
Opening balance as at 1 July 2026			
Balance carried forward from previous period	13,411	818	14,229
Adjusted opening balance	13,411	818	14,229
Comprehensive income			
Surplus (deficit) for the period	77	-	77
Total comprehensive income	77	-	77
of which:			
Attributable to the Australian Government	77	-	77
Transactions with owners			
Contributions by owners			
Other	-	20	20
Sub-total transactions with owners	-	20	20
Estimated closing balance as at 30 June 2027	13,488	838	14,326
Closing balance attributable to the Australian Government	13,488	838	14,326

Prepared on Australian Accounting Standards basis.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Revenue from Government	29,937	30,238	31,356	32,392	32,588
Interest	500	400	400	400	400
Net GST received	1,689	1,689	1,387	1,299	1,200
Other operating receipts	28,587	20,559	15,305	16,037	16,463
Total cash received	60,713	52,886	48,448	50,128	50,651
Cash used					
Employees	7,732	7,803	8,276	8,798	9,330
Suppliers	1,730	1,941	2,038	2,140	2,247
Projects	52,680	45,451	37,517	38,650	39,250
Interest payments on lease liability	30	30	30	30	27
Total cash used	62,172	55,225	47,861	49,618	50,854
Net cash from (used by) operating activities	(1,459)	(2,339)	587	510	(203)
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	250	220	150	150	120
Total cash used	250	220	150	150	120
Net cash from/(used by) investing activities	(250)	(220)	(150)	(150)	(120)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	164	224	170	167	167
Total cash used	164	224	170	167	167
Net cash from/(used by) financing activities	(164)	(224)	(170)	(167)	(167)
Net increase (decrease) in cash held	(1,873)	(2,783)	267	193	(490)
Cash and cash equivalents at the beginning of the reporting period	23,808	21,935	19,152	19,419	19,612
Cash and cash equivalents at the end of the reporting period	21,935	19,152	19,419	19,612	19,122

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources (a)	250	220	150	150	120
TOTAL	250	220	150	150	120
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	250	220	150	150	120
Total cash used to acquire assets	250	220	150	150	120

(a) Includes the following section 74 external revenue:
– internally developed assets.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of departmental asset movements (Budget year 2026-27)

	Other property, plant and equipment \$'000	Intangibles \$'000	Total \$'000
As at 1 July 2026			
Gross book value	311	1,236	1,547
Gross book value – ROU (a)	1,594	-	1,594
Accumulated depreciation/amortisation and impairment	(203)	(1,060)	(1,263)
Accumulated depreciation/amortisation and impairment – ROU (a)	(1,182)	-	(1,182)
Opening net book balance	520	176	696
CAPITAL ASSET ADDITIONS			
Estimated expenditure on new or replacement assets			
By purchase – other (b)	20	200	220
By purchase – other – ROU assets (a)	979	-	979
Total additions	999	200	1,199
Other movements			
Depreciation/ amortisation expense	(100)	(100)	(200)
Depreciation/ amortisation expense – ROU (a)	(200)	-	(200)
Other	20	-	20
Total other movements	(280)	(100)	(380)
As at 30 June 2027			
Gross book value	351	1,436	1,787
Gross book value – ROU (a)	2,573	-	2,573
Accumulated depreciation/ amortisation and impairment	(303)	(1,160)	(1,463)
Accumulated depreciation/ amortisation and impairment – ROU (a)	(1,382)	-	(1,382)
Closing net book balance	1,239	276	1,515

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'By purchase – other' refers to funding provided through other internal funding sources.

Prepared on Australian Accounting Standards basis.

Grains Research and Development Corporation

**Entity resources and planned
performance**

Grains Research and Development Corporation

- Section 1: Entity overview and resources 199**
- 1.1 Strategic direction statement..... 199
- 1.2 Entity resource statement..... 201
- 1.3 Budget measures 203
- Section 2: Outcomes and planned performance 204**
- 2.1 Budgeted expenses and performance for Outcome 1 205
- Section 3: Budgeted financial statements..... 211**
- 3.1 Budgeted financial statements 211
- 3.2 Budgeted financial statements tables 213

Grains Research and Development Corporation

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Grains Research and Development Corporation's (GRDC) purpose is to invest in research, development and extension (RD&E) to create enduring profitability for Australian grain growers. The purpose is supported by a vision that world-class innovation creates solutions that Australian grain growers need for a better tomorrow.

GRDC is primarily funded through the partnership between Australian grain growers and the Australian Government. To maximise impact from every dollar invested, GRDC partners with the brightest and most creative minds to drive the delivery of world-class innovation.

Grower levies are collected at the first point of sale based on a percentage of the sale value of 27 crops, including:

- Wheat
- Coarse grains – barley, oats, sorghum, maize, triticale, millets/panicums, cereal rye and canary seed.
- Pulses – lupins, field peas, chickpeas, faba beans, vetch, peanuts, mungbeans, navy beans, pigeon peas, cowpeas, black gram, common beans and lentils.
- Oilseeds – canola, sunflower, safflower, soybean and linseed.

The Australian Government matches grower levy contributions up to a limit of 0.5 per cent of the three-year rolling average of the gross value of production.

GRDC invests these funds in a diverse mix of RD&E activities. This involves identifying and prioritising research for investment, monitoring, evaluating, and reporting on research impacts, and facilitating the communication, extension, adoption and commercialisation of research results.

Significant production, productivity and profitability gains continue to be delivered through ongoing investment in grains RD&E in Australia – much of this being co-ordinated by GRDC on behalf of grain growers.

GRDC also contributes to the development of strategic national approaches to grains industry RD&E, to reduce fragmentation and duplication and to help address industry-wide issues such as biosecurity, grains market access and sustainable resource management.

While its focus is on delivering benefits to Australian grain growers, GRDC also generates outcomes from investing in RD&E that benefit other participants in the Australian grains industry value chain and the wider Australian community, as well as the grains research community in Australia. GRDC investments support the capacity of the Australian research community through collaborative approaches that minimise duplication of effort and provide access to shared knowledge, infrastructure, and facilities.

Effective partnerships with other Australian organisations enable GRDC to leverage resources and research capability, share market knowledge, technologies and intellectual property, and reduce the risk associated with transformational investments. GRDC also builds strong relationships with organisations overseas, both to broaden the resources available to the Australian grains industry and to access international RD&E efforts that offer potential benefits, such as supporting food security, for Australia.

GRDC’s investment priorities are articulated in a five-year RD&E Plan. The GRDC RD&E Plan 2023–28 aims to drive impact to Australian grain growers well beyond its five-year timeframe. It builds on the RD&E investments GRDC has made for the industry in the past and has been informed by extensive consultation with growers and industry.

The GRDC RD&E Plan 2023–28 will see continued investment focused on increasing yield and yield stability and optimising costs, improving technical efficiency and helping manage risk to reach grower potential.

In addition to the investment outlined in the RD&E Plan 2023-28, the 2026-27 Portfolio Budget Statement allocates further funding for upstream discovery research, as recommended by the recent RD&E review. An additional annual RD&E investment of \$60 million per year is scheduled to be phased in over the coming years, with full implementation planned from 2028-29.

GRDC’s investments align to the Government’s productivity agenda to support sector growth and innovation and strongly reflects GRDC’s continued commitment to biosecurity and sustainability. As of January 2026, GRDC is investing \$43.84 million in grains biosecurity and biosecurity-related R&D against which its partners are co-contributing a further \$54.83 million for a combined investment program of \$98.67 million. This investment program includes the establishment of the National Grains Diagnostic and Surveillance Initiative in partnership with state Departments of Agriculture and the Department of Agriculture, Fisheries and Forestry (DAFF).

Through these efforts, GRDC champions the broader strategy to reach a \$100 billion agricultural sector by 2030 and reinforces Australia’s position at the forefront of climate-smart agriculture, strengthening farming communities and securing long-term profitability for grain producers.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (Government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4: Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome' table in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Grains Research and Development Corporation resource statement – Budget estimates for 2026-27 as at Budget May 2026

	2025-26 Estimated actual \$'000	2026-27 Estimate \$'000
Opening balance/cash reserves at 1 July	757,441	836,407
Funds from Government		
Special appropriations (a)		
<i>Primary Industries Levies and Charges Disbursement Act 2024 – s37</i>		
Grains Industry	354,015	339,328
Total special appropriations	354,015	339,328
Total funds from Government	354,015	339,328
Levies (b)	219,914	216,103
<i>less amounts paid to the CRF</i>	(219,914)	(216,103)
Total funds from industry sources	-	-
Funds from other sources		
Interest	23,592	25,064
Royalties	5,623	4,881
Other	8,409	6,214
Total funds from other sources	37,624	36,159
Total net resourcing for GRDC	1,149,080	1,211,894

	2025-26	2026-27
Average staffing level (number)	130	130

(a) GRDC's special appropriation is not directly appropriated as it is a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Appropriation is made to the Department of Agriculture, Fisheries and Forestry (DAFF) and are then paid to GRDC and are considered departmental for all purposes.

(b) The levies are imposed by the *Primary Industries (Excise) Levies Act 2024*, or the *Primary Industries (Services) Levies Act 2024*, and charges imposed under the *Primary Industries (Customs) Charges Act 2024*. The levies are collected by DAFF under the *Primary Industries Levies and Charges Collection Act 2024* and the *Primary Industries Levies and Charges Collection Rules 2024* and transferred to the Consolidated Revenue Fund (CRF). These amounts are then drawn down by the department as a special appropriation and paid to GRDC under the *Primary Industries Levies and Charges Disbursement Act 2024 – s37* Grains Industry.

Please note: All figures shown above are GST exclusive – these may not match figures in the cash flow statement.

Prepared on a resourcing (i.e. appropriations available) basis.

1.3 Budget measures

Budget measures in Part 1 relating to Grains Research and Development Corporation are detailed in the *Budget Paper No. 2* and are summarised below.

Table 1.2: Grains Research and Development Corporation 2026-27 Budget measures

Part 1: Measures announced since the 2025-26 Mid-Year Economic and Fiscal Outlook (MYEFO)

Grains Research and Development Corporation does not have any 2026-27 Budget measures.

Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance measure described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide a complete picture of an entity's planned and actual performance.

The most recent corporate plan for the Grains Research and Development Corporation can be found at:

<https://rdeplan.grdc.com.au/>

The most recent annual performance statement for the Grains Research and Development Corporation can be found at:

<https://grdc.com.au/about/who-we-are/corporate-governance/annual-reports>

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: New information and products that enhance the productivity, competitiveness and environmental sustainability of Australian grain growers and benefit the industry and wider community, through planning, managing and implementing investments in grains research and development.

2.1.1: Linked programs

Department of Agriculture, Fisheries and Forestry

Program 1.7: Grains Industry

Contribution to Outcome 1 made by linked program:

GRDC works together with DAFF to ensure a sustainable, productive, and profitable grains industry.

2.1.2: Budgeted expenses for Outcome 1

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: New information and products that enhance the productivity, competitiveness and environmental sustainability of Australian grain growers and benefit the industry and wider community, through planning, managing and implementing investments in grains research and development.

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 1.1: Grains Research and Development Corporation					
Revenue from Government					
Special appropriations					
<i>Primary Industries Levies and Charges Disbursement Act 2024 – s37 Grains Industry</i>	134,331	125,005	130,326	123,871	124,248
Revenues from industry sources	219,914	216,103	197,006	225,728	213,048
Revenues from other independent sources	37,624	36,159	37,464	36,627	35,828
Expenses not requiring appropriation in the budget year (a)	(61,456)	9,745	29,375	34,865	50,540
Total expenses for program 1.1	330,413	387,012	394,171	421,091	423,664
Outcome 1 totals by resource type					
Revenue from Government					
Special appropriations	134,331	125,005	130,326	123,871	122,573
Revenues from industry sources	219,914	216,103	197,006	225,728	214,723
Revenues from other independent sources	37,624	36,159	37,464	36,627	35,828
Expenses not requiring appropriation in the budget year (a)	(61,456)	9,745	29,375	34,865	50,540
Total expenses for Outcome 1	330,413	387,012	394,171	421,091	423,664
	2025-26	2026-27			
Average staffing level (number)	130	130			

(a) 'Expenses not requiring appropriation in the budget year' are made up of make good expenses, audit fees, and can include depreciation / amortisation expenses not requiring an appropriation.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Prepared on Australian Accounting Standards basis.

Table 2.2 Performance measure for Outcome 1

Table 2.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, the 2026–27 Budget measures that have created new programs or materially changed existing programs are provided.

As a corporate Commonwealth entity established under the *Primary Industries Research and Development Act 1989*, and *Primary Industries Levies and Charges Disbursement Act 2024 – s37 Grains Industry (PILCD Act)*, GRDC does not produce a corporate plan under the PGPA Act and is therefore exempt from the requirement to map purposes to outcomes.

Performance reporting aligns to data and methods included in the most recent annual performance statement and will transition through implementation of the GRDC RD&E Plan 2023–28 Impact and Performance Framework and Key Performance Indicator (KPIs), including comparison against long-term trends.

Outcome 1: New information and products that enhance the productivity, competitiveness and environmental sustainability of Australian grain growers and benefit the industry and wider community, through planning, managing and implementing investments in grains research and development.		
Program 1.1: Grains Research and Development Corporation		
Objective	Drive the discovery, development and delivery of world-class innovation to enhance the productivity, profitability and sustainability of Australian grain growers and benefit the industry and the wider community.	
Key Activities (a)	Continue to prioritise RD&E investments that support the enduring profitability of Australian grain growers. The target group is primarily Australian grain growers but the grains industry value chain also includes Governments, industry groups, rural and regional communities, research organisations and the wider community.	
Year	Performance measures	Expected Performance Results
Current year 2025-26	Grower profitability.	<ul style="list-style-type: none"> Rate of return (RoR) of grain farms maintains or exceeds long-term trend. <p>In 2023-24 the RoR for grain farms (excl. capital appreciation) was 3.7% and greater than the long-term trend (3.1%).</p> <p><i>Comparison to the long-term national trends using 7-year rolling average. ROR reported as national average and for the top 20 per cent.</i></p>

Continued on following pages

Table 2.2: Performance measures for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Current year 2025-26 (continued)	Farm productivity.	<ul style="list-style-type: none"> Total factor productivity (TFP), climate adjusted, maintains or exceeds the long-term trend. In 2023-24 the 7-year rolling average total factor productivity (climate adjusted) for grain farms was forecasted to be 2.0%, which is less than the long-term trend of 3.0%. <p><i>Comparison to long-term trend using 7-year rolling average.</i></p>
	Crop improvement.	<ul style="list-style-type: none"> Yields per annum maintain or exceed the long-term trend. In 2024-25, the 7-year rolling average estimated yield gain for cereals at 2.4%, greater than the long-term trend of 2.0%. In 2024-25 the 7-year rolling average estimated yield gain for oilseeds at 1.7%, greater than the long-term trend of 1.2%. In 2024-25 the 7-year rolling average estimated yield gain for pulses at 1.5%, greater than the long-term trend of 1.4%. Water use efficiency (WUE) of wheat maintain or exceed the long-term trend. In 2024 the 7-year rolling average water-use efficiency for wheat was 11.5 kg/ha/mm, greater than the long-term trend of 11.3 kg/ha/mm. Results nationally and for the top 20% performers for the 2023 crop year were 14.7 and 17.7 kg/ha/mm respectively <p><i>Comparisons to the long-term national trend using 7-year rolling averages.</i></p>

Continued on following pages

Table 2.2: Performance measures for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Current year 2025-26 (continued)	Return on inputs.	<ul style="list-style-type: none"> • Fertiliser costs as percentage of revenue equal to or less than the long-term trend. In 2023-24 the 7-year rolling average return on inputs for fertiliser (fertiliser cost as a percentage of revenue) was 14.0%, less than the long-term trend of 14.9%. • Crop protection costs as a percentage of revenue equal to or less than the long-term trend. In 2023-24 the 7-year rolling average return on inputs for crop protection (crop protection costs as a percentage of revenue) was 12.9%, less than the long-term trend of 14.3%. • Total plant, machinery and labour costs (TPML) as a percentage of total revenue are equal or less than the long-term trend. In 2023-24 the 7-year rolling average return on inputs for TPML as a percentage of revenue was 29.7%, less than the long-term trend of 33.6%. <p><i>Comparisons to the long- term national trend using 7-year rolling averages.</i></p>

Continued on following page

Table 2.2: Performance measures for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Current year 2025-26 (continued)	Industry and market health.	<ul style="list-style-type: none"> Gross value of grains production is equal to or greater than the long-term trend. <p>In 2024-25 gross value of grains production (GVP) was gazetted as \$26.9 billion under the PIRD Act.</p> <p>The 7-year rolling average GVP is \$21.8 billion, considerably above that projected from the long-term trend (\$15.7 billion)</p> <p>The gross value of grains production was third highest on record in 2024-25.</p> <p><i>Comparison to the long-term national trend using 7-year rolling average.</i></p> <ul style="list-style-type: none"> Market diversity is maintained or improved for major grains crops*. <p>In 2023-24, the 7-year rolling average (HHI) for:</p> <ul style="list-style-type: none"> wheat was 7.4, above the long-term baseline of 6.7 barley was 29.2, under the long-term baseline of 36.4 sorghum was 70.3, under the long-term baseline of 80.6 canola was 14.4, under the long-term baseline of 15.8 lentils were 25.7, over the long-term baseline of 23.6 <p><i>*Based on the Herfindal-Hirschman Index (HHI) for wheat, barley, sorghum, canola and chickpea being at or below the ten-year average for each commodity. Lower values indicate greater market diversity.</i></p>
Year	Performance measures	Planned Performance Results
Budget Year 2026–27	As per 2025–26.	As per 2025–26.
Forward Estimates 2027–30	As per 2025–26.	As per 2025–26.

(a) Additional performance information that supports the achievement of the above performance criteria is available in the GRDC’s RD&E Plan 2023–28. GRDC will develop a new five-year RD&E plan for implementation commencing 1 July 2028. New performance measures may be included at that time.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026-27 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1: Differences between entity resourcing and financial statements

The financial statements are prepared on an accrual basis where revenues and expenses are recognised as and when the resources are received and used. The entities resourcing table recognises cash resources available to be used during the period and includes amounts recognised as revenue in previous periods.

3.1.2: Explanatory notes and analysis of budgeted financial statements

GRDC's revenue is primarily from industry contributions in the form of levies paid on the farm gate value of grain sold and Australian Government contributions which are capped at 0.5 per cent of the three-year rolling average of gross value of production (GVP). GRDC's revenue streams are therefore subject to the volatility of local and international grain commodity markets, farm gate costs, environmental conditions, and the marketing decisions of growers. This means the assumptions in developing financial forecasts have a high degree of uncertainty and change frequently.

In 2026–27, GRDC is budgeting for an operating deficit of \$9.7 million primarily due to increased RD&E expenditure. Industry contributions are forecast to decrease from 2025–26 by around \$3.8 million but remain above the long-term average.

Australian Government contributions are expected to decrease by circa \$9.3 million after the higher-than-average gross volume of production across recent years. Own source income is expected to decrease by \$1.4 million on current year estimates, of which interest is expected to be the main contributor. In delivering higher values of R&D expenditure (investment), GRDC's supplier, employee costs and general support expenses are modestly increasing, largely in line with inflation.

During 2025-26, GRDC's subsidiary Grains Australia Limited (GAL) integrated the operations of the Australian Export Grains Innovation Centre. This has resulted in a considerable uplift in GAL's operating expenditure. Included in GRDC's consolidated budget below is \$12 million for GAL of which \$6.7 million is wages and \$5.3 million is supplier payments (\$1.3 million is operating expenditure and \$4 million is RD&E).

The budgeted net asset position for 2026–27 is \$964.6 million which is \$10 million lower than the 2025–26 estimated actual. This decrease is largely due to the flow on impacts of the increased R&D investment annual spend from \$264 million in 2025–26 to \$315 million in 2026–27. GRDC completed a review of its long-term RD&E investment opportunities with the review results now incorporated in the 2026-27 Portfolio Budget Statement.

The RD&E review outcomes provided strong direction on how GRDC's reserves should be strategically invested and aligned to GRDC's remit. The review recommends significant additional focus in areas of upstream/discovery research beyond that forecast in the GRDC RD&E Plan 2023-28, with an additional investment of \$60 million per year over the next decade. This additional investment will be phased in over the coming years with full implementation anticipated in 2028-29. In addition to the uplift in RD&E investment other operating expenses have increased to ensure the additional investment is appropriately resourced and supported. The additional RD&E is expected to result in operating losses as existing reserves are progressively utilised.

3.2 Budgeted financial statements tables

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
EXPENSES					
Employee benefits	32,804	33,948	35,131	36,355	37,621
Suppliers (a)	287,740	345,091	356,471	382,257	383,534
Depreciation and amortisation	9,556	7,660	2,256	2,166	2,196
Finance costs	313	313	313	313	313
Total expenses	330,413	387,012	394,171	421,091	423,664
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	23,592	25,064	25,160	24,025	23,177
Dividends	4,325	2,910	3,520	3,820	3,980
Royalties	5,623	4,881	5,029	5,178	5,030
Other	4,084	3,304	3,755	3,604	3,641
Total own-source revenue	37,624	36,159	37,464	36,627	35,828
Total own-source income	37,624	36,159	37,464	36,627	35,828
Net cost of (contribution by) services	292,789	350,853	356,707	384,464	387,836
Revenue from Government (a)					
Commonwealth contributions	134,331	125,005	130,326	123,871	124,248
Industry contributions	219,914	216,103	197,006	225,728	213,048
Total revenue from Government	354,245	341,108	327,332	349,599	337,296
Surplus/(deficit) attributable to the Australian Government	61,456	(9,745)	(29,375)	(34,865)	(50,540)
Total comprehensive income (loss)	61,456	(9,745)	(29,375)	(34,865)	(50,540)
Total comprehensive income/(loss) attributable to the Australian Government	61,456	(9,745)	(29,375)	(34,865)	(50,540)

Continued on following page

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)

Note: Impact of net cash appropriation arrangements

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	61,456	(9,745)	(29,375)	(34,865)	(50,540)
plus: depreciation/amortisation expenses for ROU assets (b)	1,272	1,272	1,197	1,197	1,197
less: lease principal repayments (c)	(959)	(959)	(959)	(959)	(959)
Net Cash Operating Surplus/(Deficit)	61,769	(9,432)	(29,137)	(34,627)	(50,302)

(a) Suppliers' payments include GRDC research (including the uplift in discovery research) and supporting functions to resource this additional research investment. Supplier payments for Grains Australia Limited are also incorporated into this expense line.

(b) Revenue from Government includes a Commonwealth contribution under the PILCD Act and levies collected from industry by DAFF for R&D activities.

(c) Applies to leases under Australian Account Standards Board (AASB) 16 Leases. Right of Use (ROU).

Prepared on Australian Accounting Standards basis.

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	83,363	83,412	92,443	87,501	94,821
Trade and other receivables	7,378	9,158	8,967	9,254	9,144
Investments	753,044	751,193	710,448	680,279	620,686
Other investments	169,555	174,555	179,555	184,555	187,555
Total financial assets	1,013,340	1,018,318	991,413	961,589	912,206
Non-financial assets					
Land and buildings	6,108	5,003	3,898	2,793	1,688
Property, plant and equipment	1,588	1,071	933	668	657
Intangibles	9,685	3,967	3,524	3,048	2,538
Other non-financial assets	1,825	1,825	1,825	1,825	1,825
Total non-financial assets	19,206	11,866	10,180	8,334	6,708
Total assets	1,032,546	1,030,184	1,001,593	969,923	918,914
LIABILITIES					
Payables					
Suppliers	46,579	54,806	56,181	60,213	60,323
Other payables	857	857	857	857	857
Total payables	47,436	55,663	57,038	61,070	61,180
Interest bearing liabilities					
Leases	6,745	5,786	5,077	4,118	3,409
Total interest bearing liabilities	6,745	5,786	5,077	4,118	3,409
Provisions					
Employee provisions	3,983	4,098	4,216	4,338	4,468
Total provisions	3,983	4,098	4,216	4,338	4,468
Total liabilities	58,164	65,547	66,331	69,526	69,057
Net assets	974,382	964,637	935,262	900,397	849,857
EQUITY*					
Parent entity interest					
Retained surplus (accumulated deficit)	974,382	964,637	935,262	900,397	849,857
Total parent entity interest	974,382	964,637	935,262	900,397	849,857
Total Equity	974,382	964,637	935,262	900,397	849,857

*'Equity' is the residual interest in assets after deduction of liabilities.

Prepared on an Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity – summary of movement (Budget year 2026-27)

	Retained earnings	Total equity
	\$'000	\$'000
Opening balance as at 1 July 2026		
Balance carried forward from previous period	974,382	974,382
Adjusted opening balance	974,382	974,382
Comprehensive income		
Surplus (deficit) for the period	(9,745)	(9,745)
Total comprehensive income	(9,745)	(9,745)
of which:		
Attributable to the Australian Government	(9,745)	(9,745)
Estimated closing balance as at 30 June 2027	964,637	964,637
Closing balance attributable to the Australian Government	964,637	964,637

Prepared on Australian Accounting Standards basis.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Industry contributions	216,628	214,323	197,197	225,441	214,833
Revenue from Government	137,236	125,005	130,326	123,871	122,573
Interest	6,291	6,915	5,905	4,194	2,770
Dividends	4,325	2,910	3,520	3,820	3,980
Net GST received	28,174	27,843	28,794	29,707	30,776
Other operating receipts	9,858	8,185	8,784	8,782	8,671
Total cash received	402,512	385,181	374,526	395,815	383,603
Cash used					
Employees	32,067	33,681	34,855	36,072	37,323
Suppliers	301,788	364,859	384,048	408,093	414,368
Interest payments on lease liability	313	313	313	313	313
Total cash used	334,168	398,853	419,216	444,478	452,004
Net cash from (used by) operating activities	68,344	(13,672)	(44,690)	(48,663)	(68,401)
INVESTING ACTIVITIES					
Cash received					
Investments	-	20,000	60,000	50,000	80,000
Total cash received	-	20,000	60,000	50,000	80,000
Cash used					
Investments	105,000	5,000	5,000	5,000	3,000
Purchase of property, plant and equipment	720	320	320	320	320
Total cash used	105,720	5,320	5,320	5,320	3,320
Net cash from (used by) investing activities	(105,720)	14,680	54,680	44,680	76,680

Prepared on Australian Accounting Standards basis.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June) (Continued)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	959	959	959	959	959
Total cash used	959	959	959	959	959
Net cash from/(used by) financing activities	(959)	(959)	(959)	(959)	(959)
Net increase (decrease) in cash held	(38,335)	49	9,031	(4,942)	7,320
Cash and cash equivalents at the beginning of the reporting period	121,698	83,363	83,412	92,443	87,501
Cash and cash equivalents at the end of the reporting period	83,363	83,412	92,443	87,501	94,821

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources (a)	720	320	320	320	320
TOTAL	720	320	320	320	320
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	720	320	320	320	320
Total cash used to acquire assets	720	320	320	320	320

(a) Includes the following section 74 external revenue:
– internally developed assets.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of departmental asset movements (Budget year 2026-27)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2026				
Gross book value	830	6,039	35,346	42,215
Gross book value – ROU (a)	8,505	1,196	-	9,701
Accumulated depreciation/amortisation and impairment	(322)	(4,971)	(25,661)	(30,954)
Accumulated depreciation/amortisation and impairment – ROU (a)	(2,905)	(676)	-	(3,581)
Opening net book balance	6,108	1,588	9,685	17,381
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase – other (b)	-	-	320	320
Total additions	-	-	320	320
Other movements				
Depreciation/amortisation expense	(35)	(315)	(6,038)	(6,388)
Depreciation/amortisation expense – ROU (a)	(1,070)	(202)	-	(1,272)
Total other movements	(1,105)	(517)	(6,038)	(7,660)
As at 30 June 2027				
Gross book value	830	6,039	35,666	42,535
Gross book value – ROU (a)	8,505	1,196	-	9,701
Accumulated depreciation/amortisation and impairment	(357)	(5,286)	(31,699)	(37,342)
Accumulated depreciation/amortisation and impairment – ROU (a)	(3,975)	(878)	-	(4,853)
Closing net book balance	5,003	1,071	3,967	10,041

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'By purchase – other' refers to funding provided through other internal funding sources.

Prepared on Australian Accounting Standards basis.

Regional Investment Corporation

**Entity resources and planned
performance**

Regional Investment Corporation

- Section 1: Entity overview and resources 225**
 - 1.1 Strategic direction statement..... 225
 - 1.2 Entity resource statement..... 227
 - 1.3 Budget measures 229
- Section 2: Outcomes and planned performance 230**
 - 2.1 Budgeted expenses and performance for Outcome 1 231
- Section 3: Budgeted financial statements 236**
 - 3.1 Budgeted financial statements 236
 - 3.2 Budgeted financial statements tables 237

Regional Investment Corporation

Section 1: Entity overview and resources

1.1 Strategic direction statement

Regional Investment Corporation (RIC) is a corporate Commonwealth entity established by the *Regional Investment Corporation Act 2018*. An independent Board oversees RIC and is responsible for providing low-cost loans to eligible farm businesses and farm-related small businesses in a nationally consistent, prudent, and timely manner.

RIC Board also provides independent advice to the Minister for Agriculture, Fisheries and Forestry on the making of individual grants or arrangements for projects and activities that build drought resilience to be funded by the Future Drought Fund.

The concessional loan programs support the long-term growth, investment and, resilience of eligible farm businesses and farm-related small businesses with \$333.33 million in loan funding available for RIC in 2026-27.

RIC loans enable farmers and small businesses in financial need to improve cash flow so they can manage through, recover and rebuild after significant financial disruption from events outside of their control such as drought, natural disasters, biosecurity events and cumulative events. RIC loans can be used to refinance debt, fund risk mitigation activities and adapt practices to be prepared for future potential business impacts. RIC loans also help accelerate business plans for first farmers and support succession planning. The nature of these highly variable factors for which a RIC loan can provide support means the RIC operates in a complex, demand-driven environment.

In 2025, the Australian Government made several announcements in support of the agriculture sector beyond 2025-26. These included a further \$1 billion in RIC loan funding, ensuring farmers and producers can continue to access this concessional lending, and broadening the scope of the RIC to include assistance for improving climate resilience, boosting sector productivity, and supporting agriculture to be part of Australia's net zero transition. Two new loans were also announced- a Drought Hardship Loan and a Marine Recovery Loan.

The Drought Hardship Loan is a concessional loan for eligible farm businesses experiencing severe and prolonged drought. The Marine Recovery loan will support wild-catch fishing and aquaculture businesses affected by slow-onset significant ecological events, specifically marine harmful algal blooms and marine heatwaves. The program will initially be available to wild-catch fishing and aquaculture businesses affected by the algal bloom in South Australia.

RIC achieves this through its outcome:

Outcome 1: Encourage growth, investment and resilience in Australian farm businesses and rural and regional communities by delivering the Commonwealth’s farm business concessional loans.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (Government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4: Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome' table in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Regional Investment Corporation resource statement – Budget estimates for 2026-27 as at Budget May 2026

	2025-26 <i>Estimated actual</i> \$'000	2026-27 Estimate \$'000
Opening balance/cash reserves at 1 July	7,037	7,037
Funds from Government (a)		
Annual appropriations – ordinary annual services (b)		
Outcome 1	22,885	24,663
Annual appropriations – other services – non-operating (c)		
Equity injection	338	706
<i>Total annual appropriation</i>	23,223	25,369
Total funds from Government	23,223	25,369
Funds from other sources		
Other	-	1,200
<i>Total funds from other sources</i>	-	1,200
Total net resourcing for RIC	30,260	33,606
	2025-26	2026-27
Average staffing level (number)	93	107

(a) RIC is a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and does not receive direct appropriations. Appropriation is provided through Department of Agriculture, Fisheries and Forestry (DAFF) and is specified with the Annual Appropriation Bills as payment to RIC and is considered departmental for all purposes.

(b) Appropriation Bill (No. 1) 2026–27

(c) Appropriation Bill (No. 2) 2026–27

Please note: All figures shown above are GST exclusive – these may not match figures in the cash flow statement.

Prepared on a resourcing (i.e. appropriations available) basis.

1.3 Budget measures

Budget measures in Part 1 relating to Regional Investment Corporation are detailed in *Budget Paper No. 2* and are summarised below.

Table 1.2: Regional Investment Corporation 2026-27 Budget measures
Part 1: Measures announced since the 2025-26 Mid-Year Economic and Fiscal Outlook (MYEFO)

Program		2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000
Payment measures						
Future of the Regional Investment Corporation						
	1.1					
	Departmental payment	-	6,122	5,565	6,023	-
Total		-	6,122	5,565	6,023	-
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses - one year extension (a)						
	1.1					
	Departmental payment	-	-	-	-	(2,691)
Total		-	-	-	-	(2,691)
Total payment measures						
	Departmental	-	6,122	5,565	6,023	(2,691)
Total		-	6,122	5,565	6,023	(2,691)

Part 2: Other measures not previously reported in a portfolio statement

Program		2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000
Measures						
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses (b)						
	1.1					
	Departmental payment	-	(1,263)	(1,372)	(1,287)	-
Total		-	(1,263)	(1,372)	(1,287)	-
Total measures						
	Departmental	-	(1,263)	(1,372)	(1,287)	-
Total		-	(1,263)	(1,372)	(1,287)	-

(a) This is a cross-portfolio measure. The full measure description and package details appear in Budget Paper No. 2 under Cross Portfolio.

(b) This is a cross-portfolio measure. The full measure description and package details appear in Appendix A of 2025–26 MYEFO under Cross Portfolio.

Prepared on a Government Finance Statistics (Underlying Cash) basis.

Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance measure described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide a complete picture of an entity's planned and actual performance.

The most recent corporate plan for the Regional Investment Corporation can be found at: www.ric.gov.au/about/reporting/corporate-plans

The most recent annual report for the Regional Investment Corporation can be found at: <http://www.ric.gov.au/about/reporting/annual-report>

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Encourage growth, investment and resilience in Australian farm businesses and rural and regional communities by delivering the Commonwealth’s farm business concessional loans.

2.1: Linked programs

Department of Agriculture, Fisheries and Forestry

Program 1.11: Drought Programs

Contribution to Outcome 1 made by linked program:

RIC works together with DAFF to ensure more sustainable, productive, internationally competitive, and profitable Australian agricultural industries.

2.1.2: Budgeted expenses for Outcome 1

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

Table 2.1.1: Budgeted expenses for Outcome 1

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Outcome 1: Encourage growth, investment and resilience in Australian farm businesses and rural and regional communities by delivering the Commonwealth's farm business concessional loans.					
Program 1.1: Regional Investment Corporation					
Revenue from Government					
Ordinary annual services (Appropriation Bill (No. 1)) (a)	22,885	25,863	25,125	25,044	17,678
Total expenses for Program 1.1	22,885	25,863	25,125	25,044	17,678
Outcome1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill (No. 1)) (a)	22,885	25,863	25,125	25,044	17,678
Total expenses for Outcome 1	22,885	25,863	25,125	25,044	17,678

	2025-26	2026-27
Average staffing level (number)	93	107

(a) Appropriation Bill (No. 1) 2026–27. RIC is a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and does not receive direct appropriations. Appropriation is provided through DAFF and is specified with the Annual Appropriation Bills as payment to RIC and is considered departmental for all purposes.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Prepared on Australian Accounting Standards basis.

Table 2.2: Performance measure for Outcome 1

Table 2.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, the 2026-27 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1: Encourage growth, investment and resilience in Australian farm businesses and rural and regional communities by delivering the Commonwealth's farm business concessional loans.	
Program 1.1: Regional Investment Corporation	
Objectives	<p>Provide practical support and investment to help rural and regional communities achieve economic growth, agricultural productivity, and resilience through the delivery of farm business loans and farm-related small business loans.</p> <p>RIC's farm business loans and farm related small business loans provide low-cost finance to businesses that are in financial need of assistance, to recover from short-term hardship, but are assessed as financially viable over the long-term and able to repay the loan.</p>
Key Activities	<p>We will:</p> <ul style="list-style-type: none"> • Prudently and efficiently manage our loan portfolio across each loan's lifecycle • Maintain high levels of customer satisfaction through implementation of our Customer Experience Strategy • Deliver excellence in governance, risk and insights management and reporting

Continued on following pages

Table 2.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Current Year 2025-26	Maintain high customer satisfaction.	Customer satisfaction rating above 80 per cent.
	Number and value of loans approved.	Support provided within appropriation limits.
	Risk is managed within acceptable tolerances.	95 per cent of new loan decisions are consistent with the risk appetite.
	Eligible loan processing timeframe	Average total time to decision of 50 days for new applications within the funding appropriation of \$349.7m
	Net promoter score.	>20%.
	Adoption of government policy and expectations on ESG.	Emissions/Staff FTE <FY24-25 Reconciliation Action Plan implementation according to plan
	Loan monitoring and evaluation reports	2 delivered
Budget year 2026-27	Number and value of loans approved.	Support provided within appropriation limits.
	Customer satisfaction with overall experience	>80 per cent.
	Net promoter score	>20% NPS
	Monitoring and Evaluation Reports	Delivered as per annual plan
	Continuous evolution of ESG policy	Integrate climate risks and opportunities into enterprise risk and planning frameworks
		RAP implementation progress according to plan.
	Risk management - new loan decisions within risk appetite.	>95 per cent.
Risk management – minimising default	Credit loss within tolerance of active risk appetite statement	

Continued on following pages

Table 2.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Forward Estimates 2027–30	Number and value of loans approved.	As per 2026-27
	Customer satisfaction with overall experience.	As per 2026-27
	Net promoter score.	As per 2026-27
	Monitoring and Evaluation Reports.	As per 2026-27
	Continuous evolution of ESG policy.	N/A
	Reconciliation Action Plan.	As per 2026-27
	Net promoter score.	As per 2026-27
	Risk management - new loan decisions within risk appetite.	As per 2026-27
	Risk management – minimising default.	As per 2026-27

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026-27 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1: Differences between entity resourcing and financial statements

The resourcing statement is prepared on a cash basis. The financial statements are prepared on an accrual basis. Differences between the resourcing and financial statements represent timing differences between revenue recognition and cash received.

3.1.2: Explanatory notes and analysis of budgeted financial statements

In 2026–27, RIC will continue to support the provision of loans to eligible farm businesses and farm-related small businesses.

RIC is budgeting for a balanced budget position in 2026–27 with expenses (including employee and supplier expenses) budgeted at \$25.9 million.

The expense budget reflects the work programs for RIC in receiving and evaluating loan applications and managing approved loans to eligible farm businesses and farm-related small businesses and providing independent advice to the Government.

3.2 Budgeted financial statements tables

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
EXPENSES					
Employee benefits	14,252	17,000	17,000	13,545	13,285
Suppliers	8,633	8,863	8,125	11,499	4,393
Total expenses	22,885	25,863	25,125	25,044	17,678
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other	-	1,200	1,000	860	600
Total own-source revenue	-	1,200	1,000	860	600
Total own-source income	-	1,200	1,000	860	600
Net cost of (contribution by) services	22,885	24,663	24,125	24,184	17,078
Revenue from Government	22,885	24,663	24,125	24,184	17,078
Total revenue from Government	22,885	24,663	24,125	24,184	17,078
Surplus/(deficit) attributable to the Australian Government	-	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	7,037	7,037	7,037	7,037	7,037
Investments in deposits	12,500	12,500	12,500	12,500	12,500
Goods and services receivable	574	574	574	574	574
Total financial assets	20,111	20,111	20,111	20,111	20,111
Non-financial assets					
Buildings	345	345	345	345	345
Property, plant and equipment	409	1,115	1,115	1,115	1,453
Other	723	723	723	723	723
Total non-financial assets	1,477	2,183	2,183	2,183	2,521
Total assets	21,588	22,294	22,294	22,294	22,632
LIABILITIES					
Payables					
Suppliers	398	398	398	398	398
Other payables	382	382	382	382	382
Total payables	780	780	780	780	780
Interest bearing liabilities					
Leases	372	372	372	372	372
Total interest bearing liabilities	372	372	372	372	372
Provisions					
Employee provisions	1,618	1,618	1,618	1,618	1,618
Total provisions	1,618	1,618	1,618	1,618	1,618
Total liabilities	2,770	2,770	2,770	2,770	2,770
Net assets	18,818	19,524	19,524	19,524	19,862
EQUITY*					
Parent entity interest					
Contributed equity	675	1,381	1,381	1,381	1,719
Retained surplus (accumulated deficit)	18,062	18,062	18,062	18,062	18,062
Asset revaluation reserve	81	81	81	81	81
Total parent entity interest	18,818	19,524	19,524	19,524	19,862
Total Equity	18,818	19,524	19,524	19,524	19,862

*'Equity' is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity – summary of movement (Budget year 2026-27)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Total equity \$'000
Opening balance as at 1 July 2026				
Balance carried forward from previous period	18,062	81	675	18,818
Adjusted opening balance	18,062	81	675	18,818
Transaction with owners				
Contributions by owners				
Equity Injection	-	-	706	706
Sub-total transactions with owners	-	-	706	706
Estimated closing balance as at 30 June 2027	18,062	81	1,381	18,818
Closing balance attributable to the Australian Government	18,062	81	1,381	18,818

Prepared on Australian Accounting Standards basis.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Revenue from Government	22,885	24,663	24,125	24,184	17,078
Interest receipts on deposits	-	1,200	1,000	860	600
Total cash received	22,885	25,863	25,125	25,044	17,678
Cash used					
Employees	14,252	17,000	17,000	13,545	13,285
Suppliers	8,633	8,863	8,125	11,499	4,393
Total cash used	22,885	25,863	25,125	25,044	17,678
Net cash from (used by) operating activities	-	-	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of non-financial assets	338	706	-	-	338
Total cash used	338	706	-	-	338
Net cash from (used by) investing activities	(338)	(706)	-	-	(338)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	338	706	-	-	338
Total cash received	338	706	-	-	338
Net cash from (used by) financing activities	338	706	-	-	338
Net increase (decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	7,037	7,037	7,037	7,037	7,037
Cash and cash equivalents at the end of the reporting period	7,037	7,037	7,037	7,037	7,037

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections – transferred by portfolio department	338	706	-	-	338
Total new capital appropriations	338	706	-	-	338
<i>Provided for:</i>					
Purchase of non-financial assets	338	706	-	-	338
Total items	338	706	-	-	338
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	338	706	-	-	338
TOTAL	338	706	-	-	338
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	338	706	-	-	338
Total cash used to acquire assets	338	706	-	-	338

(a) Includes both current Appropriation Bill (No.2) and prior Appropriation Act (No.2/4/6) appropriations.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of departmental asset movements (Budget year 2026-27)

	Buildings \$'000	Other property, plant and equipment \$'000	Total \$'000
As at 1 July 2026			
Gross book value	-	498	498
Gross book value – ROU (a)	1,254	-	1,254
Accumulated depreciation/amortisation and impairment	-	(89)	(89)
Accumulated depreciation/amortisation and impairment – ROU (a)	(909)	-	(909)
Opening net book balance	345	409	754
CAPITAL ASSET ADDITIONS			
Estimated expenditure on new or replacement assets			
By purchase – appropriation equity (b)	-	706	706
Total additions	-	706	706
As at 30 June 2027			
Gross book value	-	1,204	1,204
Gross book value – ROU (a)	1,254	-	1,254
Accumulated depreciation/amortisation and impairment	-	(89)	(89)
Accumulated depreciation/amortisation and impairment – ROU (a)	(909)	-	(909)
Closing net book balance	345	1,115	1,460

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2026-27

Prepared on Australian Accounting Standards basis.

Wine Australia

Entity resources and planned performance

Wine Australia

Section 1: Entity overview and resources	247
1.1 Strategic direction statement	247
1.2 Entity resource statement.....	250
1.3 Budget measures	252
Section 2: Outcomes and planned performance	253
2.1 Budgeted expenses and performance for Outcome 1	254
Section 3: Budgeted financial statements	259
3.1 Budgeted financial statements	259
3.2 Budgeted financial statements tables	260

Wine Australia

Section 1: Entity overview and resources

1.1 Strategic direction statement

Wine Australia empowers the success of the Australian grape and wine sector across three key functions:

- **research, innovation and adoption** to enhance global competitiveness, helping grape and wine businesses meet the challenges of tomorrow, today.
- **market development** to increase the demand and premium paid for Australian wine across all markets by expanding market and promotion opportunities for Australian wine.
- **regulatory services** to safeguard product integrity and uphold the sector's reputation by maintaining market confidence in the high standards expected of Australian wine.

Wine Australia is funded by the sector, for the sector, through grapegrower, winemaker and exporter levies and user-pays charges, with matching funds from the Australian Government for research and innovation. Working collaboratively with the sector and Government, we amplify insights, connection and capability building to support profitable, resilient and sustainable grape and wine businesses.

Wine Australia is a Commonwealth Government statutory authority established under the *Wine Australia Act 2013*.

We have three primary categories of funding:

- **Research and Innovation (R&I) funding** – The grape research levy (grapegrowers pay \$2 per tonne of winegrapes crushed, of which 1.6 cents is paid to Plant Health Australia (PHA)), the R&I component of the wine grape levy (wine producers pay \$5 per tonne of winegrapes crushed of which 2.4 cents is paid to PHA) are matched by the Australian Government.
- **Marketing funding** – Wineries pay the promotion component of the wine grape levy in a stepped amount per tonne. Wine exporters pay the wine export charge on wine produced in and exported from Australia. The amount of charge payable is based on the FOB sales value of wine for the charge year.
- **Regulatory funding** – Regulatory activities are funded on a cost-recovery basis through activity-based fees.

In 2023–24, Australian Grape & Wine and Wine Australia joined with state and regional associations in an Australia-wide consultation along the value chain to develop the One Grape & Wine Sector Plan (OGWSP) – a unifying strategy which articulates the sector’s priorities and outlines clear actions to be taken by all parts of the sector to achieve individual, business and sector success. Wine Australia’s 2025–2030 Strategic Plan has been framed around the OGWSP.

Research and Innovation

By enhancing global competitiveness, Wine Australia is helping grape and wine businesses meet the challenges of tomorrow, today. The OGWSP themes addressed by Wine Australia’s Research and Innovation function are:

- **Our place and product** – Our sector needs to protect its vineyards, increase resilience and drive innovation by leveraging market and consumer insights to maintain global standards while preserving regional uniqueness.
- **Our sustainability** – Sustainability is central to our sector’s current and long-term resilience, profitability and success. Our sector aspires to be recognised as a global leader, embedding progressive environmental, social and governance practices to enhance the resilience, productivity, profitability and longevity of the sector.
- **Our people** – Our sector is respectful and inclusive, fosters diverse leadership and rewarding careers and provides knowledge and skills to build resilient businesses.
- **Our systems and infrastructure** – Our sector needs to integrate state-of-the-art technologies, digital methodologies and data-driven approaches to improve efficiency, quality, profitability, competitiveness and connectivity.

Market Development

Developing and promoting market opportunities globally, Wine Australia’s marketing efforts focus on providing relevant insights to enable better market-facing decision-making by the sector and to facilitate opportunities that enable wine businesses to foster and cultivate connections that deliver commercial outcomes. This recognises the headwinds facing the global wine industry and the finite resources available to Wine Australia to directly effect change.

Wine Australia will continue to work on building sector capability through education and tailored market activations to build awareness, relevance and preference for Australia and Australian wine. The focus of our resources and efforts continues in markets that offer the greatest opportunity and returns for the industry.

The OGWSP themes addressed by Wine Australia’s Market Development function are:

- **Our markets** – Our sector needs to increase its international distribution footprint and market penetration while defending its position in the domestic market.
- **Our sustainability** – Programs that support sustainability are central to our sector’s current and long-term resilience and profitability.

Regulatory services

Safeguarding product integrity to uphold sector reputation, maintains market confidence in the high standards expected of Australian wine. By regulating quality and inputs, not only is the quality of Australian wine monitored and controlled, but also the aggregated data set collected as part of these regulatory processes informs the market insights so highly valued by the sector. Without this data, delivering the insights used for decision making by the sector would not be possible. The efficiency of this approach also provides sector wide demand intelligence in addition to the market access and global relationships that are built in the process.

The OGWSP themes addressed by Wine Australia’s regulatory function are:

- **Our systems and infrastructure** - Our sector needs to integrate state-of-the-art technologies, digital methodologies and data-driven approaches to improve efficiency, quality, profitability, competitiveness and connectivity within the sector.
- **Our markets** - Our sector needs to increase its international presence through collaborative efforts, innovative marketing strategies, alignment with consumer trends, reducing trade and market access barriers and a continued dedication to quality.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (Government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity’s operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4: Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the ‘Budgeted expenses by Outcome’ table in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Wine Australia resource statement – Budget estimates for 2026-27 as at Budget May 2026

	2025-26 <i>Estimated actual</i> \$'000	2026-27 Estimate \$'000
Opening balance/cash reserves at 1 July	14,896	11,326
Funds from Government		
Special appropriations (a)		
<i>Primary Industries Levies and Charges Disbursement Act 2024 – s37</i>		
Agricultural Resources	31,032	27,600
Total special appropriations	31,032	27,600
Amounts from portfolio department (b)	10,000	10,220
Total amounts received from related entities	10,000	10,220
Total funds from Government	41,032	37,820
Funds from industry sources		
Levies (c)	16,532	13,900
<i>less amounts paid to the CRF</i>	(16,532)	(13,900)
Total funds from industry sources	-	-
Funds from other sources		
Interest	415	240
Sale of goods and services	12,856	16,518
Other	133	921
Total funds from other sources	13,404	17,679
Total net resourcing for Wine Australia	69,332	66,825
	2025-26	2026-27
Average staffing level (number)	53	53

- (a) Wine Australia's special appropriation is not directly appropriated as it is a corporate Commonwealth Entity (CCE) under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Appropriation is made to the Department of Agriculture, Fisheries and Forestry (DAFF) and are then paid to Wine Australia and are considered departmental for all purposes.
- (b) Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills as a payment to that CCE (for example, a grant awarded to a CCE from one of its portfolio department's administered programs).
- (c) The levies are imposed by the Primary Industries (Excise) Levies Act 2024, or the Primary Industries (Services) Levies Act 2024, and charges imposed under the Primary Industries (Customs) Charges Act 2024. The levies and charges are collected by DAFF under the Primary Industries Levies and Charges Collection Act 2024 and the Primary Industries Levies and Charges Collection Rules 2024 and transferred to the Consolidated Revenue Fund (CRF). These amounts are then drawn down by the department as a special appropriation and paid to WA under the Primary Industries Levies and Charges Disbursement Act 2024 – s37 Agricultural Resources

Please note: All figures shown above are GST exclusive – these may not match figures in the cash flow statement.

Prepared on a resourcing (i.e. appropriations available) basis.

1.3 Budget measures

Budget measures in Part 1 relating to Wine Australia are detailed in *Budget Paper No. 2* and are summarised below.

Table 1.2: Wine Australia 2026-27 Budget measures

Part 1: Measures announced since the 2025-26 Mid-Year Economic and Fiscal Outlook (MYEFO)

Wine Australia does not have any 2026-27 Budget measures.

Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance measure described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide a complete picture of an entity's planned and actual performance.

The most recent corporate plan as well as the most recent annual performance statement for Wine Australia can be found at:

<https://www.wineaustralia.com/about-us/performance-and-reporting>

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Foster and enable a competitive Australian wine industry by investing in research and development, building markets, disseminating knowledge and ensuring compliance.

2.1.1: Linked programs

Department of Agriculture, Fisheries and Forestry

Program 1.10: Agricultural Resources

Program 1.13: International Market Access

Contribution to Outcome 1 made by linked program:

Wine Australia and DAFF work together to ensure a sustainable, productive, and profitable grape and wine sector.

Wine Australia will also administer the Wine Tourism and Cellar Door Grant program that commenced in 2019–20.

2.1.2: Budgeted expenses for Outcome 1

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: Foster and enable a competitive Australian wine industry by investing in research and development, building markets, disseminating knowledge and ensuring compliance.

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 1.1: Wine Australia					
Revenue from Government					
Payment from related entities	10,000	10,220	10,080	-	-
Special appropriations					
<i>Primary Industries Levies and Charges Disbursement Act 2024 – s37 Agricultural Resources</i>	16,532	13,900	13,943	13,987	14,031
Revenues from industry sources	14,500	13,700	13,200	12,500	12,500
Revenues from other independent sources	13,321	16,808	18,589	15,808	18,036
Total expenses for program 1.1	54,353	54,628	55,812	42,295	44,567
Outcome 1 totals by resource type					
Revenue from Government					
Payment from related entities	10,000	10,220	10,080	-	-
Special appropriations	16,532	13,900	13,943	13,987	14,031
Revenues from industry sources	14,500	13,700	13,200	12,500	12,500
Revenues from other independent sources	13,321	16,808	18,589	15,808	18,036
Total expenses for Outcome 1	54,353	54,628	55,812	42,295	44,567
	2025-26	2026-27			
Average staffing level (number)	53	53			

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Prepared on Australian Accounting Standards basis.

Table 2.2 Performance measure for Outcome 1

Table 2.2 below details the performance measure for each program associated with Outcome 1. It also summarises how each program is delivered and where relevant, the 2026-27 Budget measures have created new programs or materially changed existing programs are provided.

As an entity established under the *Wine Australia Act 2013*, Wine Australia does not produce a corporate plan under the PGPA Act and is therefore exempt from the requirement to map purposes to outcomes.

Outcome 1: Foster and enable a competitive Australian wine industry by investing in research and development, building markets, disseminating knowledge and ensuring compliance.	
Program 1.1: Wine Australia	
Objective	Working collaboratively with the sector and Government, Wine Australia will amplify insights, connection and capability building to support profitable, resilient and sustainable grape and wine businesses
Key Activities	<p>Wine Australia will:</p> <ul style="list-style-type: none"> a) Invest in R&D to enhance global competitiveness, helping grape and wine businesses meet the challenges of tomorrow, today. b) Invest in marketing to increase the demand and premium paid for Australian wine across all markets by expanding market and promotion opportunities for Australian wine. c) Invest in regulatory services to safeguard product integrity and uphold the sector’s reputation by maintaining market confidence in the high standards expected of Australian wine.

Continued on following pages

Table 2.2 Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Current Year 2025-26	Overall customer satisfaction metrics.	We improve our customer satisfaction metrics from the baseline determined in June 2025.
	Use and perceived value of Wine Australia's marketing activities and events.	More than 70% of exhibitors (exporters/importers) that participate in Wine Australia's marketing activities and events believe that their business/brand will benefit or already has benefited from participating in the activity.
	Use and perceived value of Wine Australia's Market Insights information, services and reports.	The share of the sector who use Wine Australia's Market Insights information, services and reports and who believe the information will help them make better business decisions increases from the 2025 baseline.
	Understanding and adoption of new practices and technologies.	There is a demonstrated increase from the 2025 baseline in the number and diversity of producers who understand the potential benefits to their business of adopting new, relevant practice changes or technologies, as well the number adopting these innovations.
	Perceived value and impact from research and innovation investments.	Sentiment regarding value and impact from research and innovation investments increases from the 2025 baseline.
	Achievement of the key performance indicators in our Regulator Performance Framework.	We achieve the key performance indicators in our Regulator Performance Framework

Continued on following pages

Table 2.2 Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Budget Year 2026-27	Overall customer satisfaction metrics.	We improve our customer satisfaction metrics from the baseline determined in June 2025.
	Use and perceived value of Wine Australia’s marketing activities and events.	More than 70% of exhibitors (exporters/importers) that participate in Wine Australia’s marketing activities and events believe that their business/brand will benefit or already has benefited from participating in the activity.
	Use and perceived value of Wine Australia’s Market Insights information, services and reports.	The share of the sector who use Wine Australia’s Market Insights information, services and reports and who believe the information will help them make better business decisions increases from the 2025 baseline.
	Understanding and adoption of new practices and technologies.	There is a demonstrated increase from the 2025 baseline in the number and diversity of producers who understand the potential benefits to their business of adopting new, relevant practice changes or technologies, as well the number adopting these innovations.
	Perceived value and impact from research and innovation investments.	Sentiment regarding value and impact from research and innovation investments increases from the 2025 baseline.
	Achievement of the key performance indicators in our Regulator Performance Framework.	We achieve the key performance indicators in our Regulator Performance Framework
Forward Estimates 2027–28 2028–29 2029–30	As per 2026–27	As per 2026–27

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026-27 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1: Differences between entity resourcing and financial statements

There are no differences between the resource information presented in the Budget Papers and Portfolio Budget Statements.

3.1.2: Explanatory notes and analysis of budgeted financial statements

The Budget incorporates the contracted and committed research, development and extension activities, the anticipated marketing programs and statutory duties.

Wine Australia receives levies on the tonnage of fruit grown (Grape Research Levy), grape products used in the manufacture of WGL and on the value of WEC. Revenue from these levies is expected to be approximately \$13.9 million for the 2026-27 year, based on an estimated vintage of 1.25 million tonnes and a Free-on-board value of \$2.35 billion dollars.

Research, development and extension expenditure attract Commonwealth matching funding, which is calculated in accordance with the provisions of the *Primary Industries Levies and Charges Disbursement Act 2024* (PILCD Act).

Other major sources of revenue are export licences and associated fees and promotional user-pays events.

3.2 Budgeted financial statements tables

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
EXPENSES					
Employee benefits	10,895	11,457	11,810	12,157	12,505
Suppliers	11,114	9,799	11,361	9,424	11,502
Grants	31,850	32,590	31,833	19,962	19,809
Depreciation and amortisation	463	763	790	734	734
Finance costs	11	4	3	3	2
Write-down and impairment of assets	20	15	15	15	15
Total expenses	54,353	54,628	55,812	42,295	44,567
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	12,856	16,518	18,349	15,568	17,796
Interest	415	240	240	240	240
Total own-source revenue	13,271	16,758	18,589	15,808	18,036
Total own-source income	13,271	16,758	18,589	15,808	18,036
Net (cost of)/contribution by services	(41,082)	(37,870)	(37,223)	(26,487)	(26,531)
Revenue from Government (a)	41,082	37,870	37,223	26,487	26,531
Total Revenue from Government	41,082	37,870	37,223	26,487	26,531
Surplus/(deficit) attributable to the Australian Government	-	-	-	-	-

Note: Impact of net cash appropriation arrangements

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	-	-	-	-	-
plus: depreciation/amortisation expenses for ROU assets (b)	349	338	338	334	335
less: lease principal repayments (b)	(349)	(338)	(338)	(334)	(335)
Net Cash Operating Surplus/ (Deficit)	-	-	-	-	-

(a) Revenue from Government includes a Commonwealth contribution under the PILCD Act and levies collected from industry by DAFF for R&D activities.

(b) Applies to leases under AASB 16 Leases. Right of Use (ROU).

Prepared on Australian Accounting Standards basis.

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	11,326	11,253	12,240	13,696	14,170
Trade and other receivables	2,910	1,700	1,823	1,926	2,013
Total financial assets	14,236	12,953	14,063	15,622	16,183
Non-financial assets					
Land and buildings	77	1,130	956	614	272
Property, plant and equipment	186	139	130	107	84
Intangibles	1,575	1,256	937	618	299
Other non-financial assets	661	607	552	496	439
Total non-financial assets	2,499	3,132	2,575	1,835	1,094
Total assets	16,735	16,085	16,638	17,457	17,277
LIABILITIES					
Payables					
Suppliers	741	933	1,096	1,063	1,020
Grants	2,673	574	934	1,925	1,926
Other payables	325	325	325	325	325
Total payables	3,739	1,832	2,355	3,313	3,271
Interest bearing liabilities					
Leases	109	1,169	1,002	666	331
Total interest bearing liabilities	109	1,169	1,002	666	331
Provisions					
Employee provisions	1,795	1,992	2,189	2,386	2,583
Other provisions	75	75	75	75	75
Total provisions	1,870	2,067	2,264	2,461	2,658
Total liabilities	5,718	5,068	5,621	6,440	6,260
Net assets	11,017	11,017	11,017	11,017	11,017
EQUITY*					
Parent entity interest					
Retained surplus (accumulated deficit)	11,017	11,017	11,017	11,017	11,017
Total parent entity interest	11,017	11,017	11,017	11,017	11,017
Total Equity	11,017	11,017	11,017	11,017	11,017

*'Equity' is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity – summary of movement (Budget year 2026-27)

	Retained earnings	Total equity
	\$'000	\$'000
Opening balance as at 1 July 2026		
Balance carried forward from previous period	11,017	11,017
<i>Adjusted opening balance</i>	<i>11,017</i>	<i>11,017</i>
Estimated closing balance as at 30 June 2027		
	11,017	11,017
Closing balance attributable to the Australian Government		
	11,017	11,017

Prepared on Australian Accounting Standards basis.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Revenue from Government	41,082	37,870	37,223	26,487	26,531
Sale of goods and rendering of services	12,149	17,389	18,297	15,602	17,696
Interest	415	240	240	240	240
Net GST received	1,624	2,324	1,914	1,848	1,998
Other	790	-	-	-	-
Total cash received	56,060	57,823	57,674	44,177	46,465
Cash used					
Employees	10,598	11,260	11,613	11,960	12,308
Suppliers	14,369	10,053	11,643	9,901	11,988
Interest payments on lease liability	11	4	3	3	2
Grant payments	32,669	36,189	32,973	20,471	21,308
Total cash used	57,647	57,506	56,232	42,335	45,606
Net cash from (used by) operating activities	(1,587)	317	1,442	1,842	859
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	1,644	50	120	50	50
Total cash used	1,644	50	120	50	50
Net cash from (used by) investing activities	(1,644)	(50)	(120)	(50)	(50)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	339	340	335	336	335
Total cash used	339	340	335	336	335
Net cash from/(used by) financing activities	(339)	(340)	(335)	(336)	(335)
Net increase (decrease) in cash held	(3,570)	(73)	987	1,456	474
Cash and cash equivalents at the beginning of the reporting period	14,896	11,326	11,253	12,240	13,696
Cash and cash equivalents at the end of the reporting period	11,326	11,253	12,240	13,696	14,170

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources (a)	1,644	50	120	50	50
TOTAL	1,644	50	120	50	50
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	1,644	50	120	50	50
Total cash used to acquire assets	1,644	50	120	50	50

(a) Includes the following section 74 external revenue:

- internally developed assets.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of departmental asset movements (Budget year 2026-27)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2026				
Gross book value	884	568	6,529	7,981
Gross book value – ROU (a)	1,599	-	-	1,599
Accumulated depreciation/amortisation and impairment	(889)	(382)	(4,954)	(6,225)
Accumulated depreciation/amortisation and impairment – ROU (a)	(1,517)	-	-	(1,517)
Opening net book balance	77	186	1,575	1,838
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase – other (b)	-	50	-	50
By purchases – other – ROU assets	1,400	-	-	1,400
Total additions	1,400	50	-	1,450
Other movements				
Depreciation/amortisation expense	(7)	(97)	(319)	(423)
Depreciation/amortisation expense – ROU (a)	(340)	-	-	(340)
Total other movements	(347)	(97)	(319)	(763)
As at 30 June 2027				
Gross book value	884	618	6,529	8,031
Gross book value – ROU (a)	2,999	-	-	2,999
Accumulated depreciation/amortisation and impairment	(896)	(479)	(5,273)	(6,648)
Accumulated depreciation/amortisation and impairment – ROU (a)	(1,857)	-	-	(1,857)
Closing net book balance	1,130	139	1,256	2,525

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'By purchase – other' refers to funding provided through other internal funding sources.

Prepared on Australian Accounting Standards basis

