

ESTIMATES BRIEF – Hot Issue**PBS/PAES****Supplementary Budget Estimates – October 2025****PBS/PAES****Subject/Issue**

The 2025-26 Finance Portfolio Budget Statements (PBS) reflect the proposed funding for the Department of Finance in the 2025-26 Budget.

Key facts and figures**2025-26 Portfolio Budget Statements**

- **Appropriation Bill No.1: 2025-26 funding of \$979.1 million** (Table 1.1, p.16) comprises:
 - **\$564.9 million** in Departmental operating funding
 - This includes \$3.3 million in new measures under Outcome 2:
 - *Nuclear-Powered Submarine Program – continuation of whole-of-government support* (\$2.4 million);
 - *Building Australia's Future – Support for Australian Made Metals* (\$0.7 million), and
 - Funding for gateway assurance reviews (\$0.3 million, with one not for publication).
 - **\$3.2 million** in Departmental capital budget
 - **\$11.0 million** in Administered funding for Outcome 2, primarily for the administration of Public Sector Superannuation.
 - **\$394.6 million** in Administered funding for Outcome 3, primarily to support Ministerial and Parliamentary staff.
 - **\$5.7 million** in Administered capital budget, primarily for secure communications infrastructure including the Ministerial Communications Network.
- **Appropriation Bill No.2: 2025-26 funding of \$3.2 billion** (Table 1.1 on p.16) comprises:
 - **\$280.7 million** in Departmental equity injections, primarily for the National Security Office Precinct construction work; and
 - **\$2.9 billion** in Administered assets and liabilities funding, which includes equity payments to Snowy Hydro and Australian Naval Infrastructure (Table 1.1, p.16).

Post Election Adjustments

- The “*Further reducing spending on consultants, contractors and labour hire, and non-wage expenses*” election commitment resulted in the following reduction to 2025-26 Appropriation Bill 1:
 - \$4.9 million reduction for the Department of Finance.
 - \$10.6 million reduction for across the Finance Portfolio (excluding Services Australia).
- As this reduction was applied after Appropriation Bill No.1 was re-introduced to the Parliament in July 2025, it is not reflected in the 2025-26 Finance Portfolio Budget Statements.

Key points

- There were five measures published in the 2025-26 PBS that impacted the department (Table 1.2 on p.19). No measures are led by the Department of Finance.
- For one of these, funding was presented as not for publication. Funding is included in the Appropriation Bills but is not disclosed in Table 1.2 due to commercial sensitivities.
 - *Prime Minister and Cabinet – additional resourcing.*

Measures led by other agencies

- ***Nuclear Powered Submarine Program – continuation of whole-of-government support led by the Department of Defence - \$2.393 million*** in 2025-26 for a one-year extension of resourcing for Commonwealth agencies to produce direct support relating to international engagement advice and research.
- ***Building Australia’s Future – Support for Australian Made Metals led by the Department of Industry, Science and Resources (DISR) - \$0.686 million*** in 2025-26 to represent the Commonwealth (along with DISR) on a joint taskforce formed by the Commonwealth and South Australian governments to support the administration process for the Whyalla Steelworks.
- Assurance review funding for:
 - *Attorney Generals Portfolio- additional resourcing*
 - *Prime Minister and Cabinet- additional resourcing (nfp)*
 - *Big Data, Timely Insights Phase 2 – securing Australia's critical economic data and supporting better informed macroeconomic policy (not in measures table)*

Cross-portfolio measure

- **Savings from External Labour – further extension** – which extends the Whole-of Government Budget savings measure by one year to 2028-29, with an impact of **\$16.5 million in savings** allocated to the Finance Portfolio **in 2028-29**:
 - *Australian Electoral Commission \$11.3 million*
 - *Department of Finance \$3.9 million*
 - *Digital Transformation Agency \$0.8 million*
 - *Independent Parliamentary Resources Agency \$0.1 million*
 - *Parliamentary Workplace Support Service \$0.3 million*
- Note this is separate to the Government's election commitment to further reduce spending on external labour. The election commitment has not yet been allocated beyond 2025-26.

Financial Statements

- The 2025-26 budgeted Departmental deficit of \$22.8 million (Table 3.1 p.57 -58), is a \$13.4 million net increase from a deficit of \$9.4 million reported in the 2024-25 Portfolio Additional Estimates Statements (PAES) due to increased depreciation on the Centres for National Resilience.
- There is no material change to the 2025-26 budgeted Departmental net asset position of \$4.1 billion (Table 3.2 p.59) from the 2024-25 PAES.

Average Staffing Level (ASL)

- Estimated ASL is 1,855 for 2025-26 (Table 1.1 p.17). This is a **net decrease of 35 ASL** compared to the 2024-25 PAES driven by increased ASL from:
 - Electoral Communications Panel measure (2 ASL)
 - Future of Shared Services – Smaller Entity ERP support measure (5 ASL)
 - Support for Australian Main Metals measure (3.5 ASL)
 - Nuclear Powered Submarine measure (11.7 ASL)
 - Conversion of contractors to ASL for the CBMS program (17 ASL)

Offset by reductions from:

- ASL transfer to PWSS (32 ASL)
- Correction for National Office Security Precinct measure (14 ASL)
- Terminating measures and changing profiles (28 ASL).

PBS/PAES

ASL figures for 2024-25 have been provided for each Outcome. Comparison of ASL figures between budget updates is as follows:

Finance Outcomes	2024-25 Estimated Actual	2024-25 PBS	2025-26 PBS
Outcome 1	439	473	466
Outcome 2	1,089	1,126	1,088
Outcome 3	344	302	301
Total Departmental	1,872	1,901	1,855

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