

Australian Government

The Treasury

Annual Report 2025–26

treasury.gov.au

Annual Report 2025–26

treasury.gov.au

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Manager
Media Unit
The Treasury
Langton Crescent
Parkes ACT 2600
Email: media@treasury.gov.au

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In the spirit of reconciliation, the Treasury acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples

Letter of transmittal

22 September 2026

The Hon Jim Chalmers MP
Treasurer
Parliament House
CANBERRA ACT 2600

Dear Treasurer

TREASURY ANNUAL REPORT 2025–26

I present the Treasury annual report for the year ended 30 June 2026.

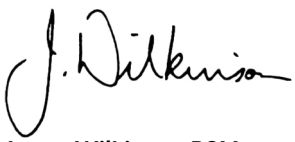
The annual report has been prepared in accordance with section 46 of the *Public Governance, Performance and Accountability Act 2013* and legislation administered by Treasury.

The report includes Treasury's audited financial statements as prepared under section 43 of the Act.

As required under section 10 of the Public Governance, Performance and Accountability Rule 2014, I certify that:

- the department has prepared fraud risk assessments and fraud control plans
- the department has appropriate fraud prevention, detection, investigation and reporting mechanisms in place to meet its needs, and
- all reasonable measures have been taken to appropriately deal with fraud relating to the department.

Yours sincerely



Jenny Wilkinson PSM
Secretary to the Treasury

CC **The Hon Clare O'Neil MP**
Minister for Housing, Minister for Homelessness, Minister for Cities

The Hon Dr Anne Aly MP
Minister for Small Business, Minister for International Development, Minister for Multicultural Affairs

The Hon Dr Daniel Mulino MP
Assistant Treasurer, Minister for Financial Services

The Hon Dr Andrew Leigh MP
Assistant Minister for Productivity, Competition, Charities and Treasury

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Introduction and guide to the report

The Treasury Annual Report 2025–26 outlines performance against outcomes, program and performance information contained in the:

- Portfolio Budget Statements 2025–26
- Portfolio Additional Estimates Statements 2025–26
- Portfolio Supplementary Estimates Statements 2025–26
- Treasury Corporate Plan 2025–26.

Part 1 Details Treasury's role, functions, and senior management, organisational and portfolio structures.

Part 2 Provides an analysis of performance against Treasury's policy and program outcomes.

Part 3 Reports on management and accountability issues as required under the annual report guidelines.

Part 4 Presents the audited financial statements of Treasury as required under the annual report guidelines.

Part 5 Includes other information as required under the annual report guidelines, and as required by other legislation.

This report concludes with a glossary, a list of abbreviations and acronyms, and an index.

A comprehensive annual report for the Takeovers Panel is available at takeovers.gov.au.

Other sources of information

Treasury releases information on its activities through publications, media releases, speeches and reports. Treasury publications are available on its website: treasury.gov.au.

Contact details

The contact officer for enquiries regarding this report is:

Assistant Secretary
Governance Branch
The Treasury
Langton Crescent
Parkes ACT 2600
Email: performanceandplanning@treasury.gov.au

Part 1 – Overview

Secretary's review



In my first full year as Secretary, I am pleased to present Treasury's Annual Report for 2025–26. Reflecting on the past 12 months, I am proud of the dedication and professionalism shown by Treasury's workforce in delivering high-quality, data-driven advice and outcomes in the context of a complex global environment.

Overview

The Australian economy has shown resilience over 2025–26, navigating the economic uncertainty from trade tensions, persistent global supply shocks and changes in global tariff arrangements. The ongoing conflict in the Middle East has disrupted global oil supplies and contributed to higher inflation and slower growth. Nationally, these price pressures kept household consumption subdued, with households reducing discretionary spending as real incomes faced strain.

Despite these headwinds, domestic economic activity was underpinned by a substantial upgrade in private business investment. Capital expenditure intentions surged by 9.1 per cent over the year, driven primarily by large-scale private sector investments in data centres and operational digitisation. Supported by this investment pipeline, the broader domestic labour market remained stable, maintaining historically low unemployment and high participation rates.

Our work in 2025–26

Treasury's advice in 2025–26 supported the economy and the national interest. Treasury delivered a series of economic updates, reports, major events and outcomes.

A major highlight of stakeholder engagement and evidence-based collaboration was successfully convening the Treasurer's Economic Reform Roundtable in August. This event brought together leaders representing small and larger businesses and from unions, civil society and academia to collaborate on budget sustainability and long-term economic resilience. Treasury took the lead on cross-government coordination to advance the reform priorities identified at the Roundtable – across health, housing, regulation, competition policy and migrant skills recognition.

September saw Treasury's involvement in securing the government's inaugural First Nations Economic Partnership. This first-of-its-kind agreement was signed by the Treasurer, the Minister for Indigenous Australians, the Coalition of Aboriginal and Torres Strait Islander Community-Controlled Peak Organisations and the First Nations Economic Empowerment Alliance. Treasury also released modelling and analysis for Australia's net zero transformation and launched the pilot of the Investor Front Door.

In December Treasury published the 2025–26 Tax Expenditures and Insights Statement. The 2025 Population Statement, published in January 2026, delivered critical updates and granular demographic insights on population shifts, interstate migration, and changing demographic trends, which remain central to local infrastructure planning and structural modelling.

Working alongside our colleagues from the Department of Finance we successfully delivered the 2025–26 Mid Year Economic and Fiscal Outlook (MYEFO) in December, followed by the 2026–27 Budget in May.

The Budget included a substantial tax reform package and Treasury supported the government in its development. Significant investments in data integration in recent years enabled Treasury to consider the impact of tax policy from a life course perspective, informed by behaviour observed in the tax system. The development of the tax package drew on expertise across the department to understand the impacts of tax changes across the economy and in specific markets or sectors.

Reforms identified at the Economic Reform Roundtable were progressed by Treasury over the year through the Council on Federal Financial Relations to maintain substantial reform progress across states and territories. Priorities included the National Competition Policy, skills, and housing reform agendas. We also worked with the Council of Financial Regulators to reduce the financial sector's regulatory burden.

Treasury worked with other agencies to deliver major productivity and regulatory reform packages in the Budget. Reforms included measures to remove barriers to trade and a single national market, accelerate approvals and improve the foreign investment framework, support building more homes, and reduce regulatory burden.

A significant publication released in 2025–26 was Homes for Australia: A National Plan, in line with Treasury's expanded role in housing. Released in May, the national plan contains a comprehensive framework to coordinate cross-governmental efforts to build more dwellings and ease acute structural supply constraints. Treasury's Housing Group supported the government's expansion of the 5% Deposit Scheme and launched the Help to Buy Scheme. The Group also assisted Housing Australia to deliver Round 3 of the Housing Australia Future Fund and started a process to pause changes and streamline the National Construction Code.

We were responsible for 13 Bills containing 41 measures throughout 2025–26. This included laws to boost the superannuation savings of low-income workers and make superannuation tax concessions fairer and more sustainable. It also included laws on reforms to negative gearing and the taxation of capital gains, the $1,000 instant tax deduction, and an expansion of the small business CGT concessions. In addition, 8 regulations and 33 non-tied legislative instruments were made and registered on the Federal Register of Legislation.

Treasury participated in several international forums. We supported the Treasurer's engagement in major multilateral forums including the G20, International Monetary Fund and World Bank Spring and Annual meetings, APEC and the Critical Minerals Finance Ministerial.

Treasury also advanced Australia's international economic and financial interests by co-chairing the G20 Global Imbalances Study Group with the Republic of Korea and delivering bilateral economic policy dialogues with regional partners including Indonesia, Japan, Korea, India, Viet Nam and New Zealand.

Treasury also supported the government to work with the business and finance sectors to respond to the global fuel crisis including on measures to help ease the impacts of higher oil prices on Australian families and small businesses.

Treasury worked alongside our network of portfolio agencies. This included a strong focus on productivity, better regulation, consumer protections, and strengthening the resilience of the Australian financial and superannuation systems. The new mergers competition regime started on 1 January 2026.

Treasury also worked with other Australian Public Service agencies to support Commonwealth-State agreements and pay $203.8 billion to states and territories to deliver government services to the Australian community.

Engagement was central to the work of the Australian Centre for Evaluation. It continued to promote an evaluation culture across the public service. Highlights included the State of Evaluation in the Australian Government 2026 report. It found evaluation activity is growing across government, but more work is needed to achieve consistent, high-quality practice. Treasury, in collaboration with the Australian Public Service Commission, is leading the APS Evaluation Profession. Established in 2025–26 to support evaluation capability, it had over 6,500 members by 30 June 2026.

People and performance

Guided by Treasury's Strategic Workforce Plan 2024–30, we continued to invest in our people by strengthening capability, culture and workforce planning.

Treasury welcomed 384 new starters, including 150 employees through machinery of government changes, and supported staff affected by the transfer of the Investor Front Door to the Department of Industry, Science and Resources.

We expanded career opportunities through initiatives such as the First Nations Career Pathway and were recognised as one of Australia's Top 25 Graduate Employers for the third consecutive year, improving from 14th to 7th in the medium-sized employer category.

Treasury achieved a gender pay gap of 3.4 per cent, 1.3 percentage points lower than comparable agencies. We maintained our gender balance target at the Senior Executive Service (SES) level, with women comprising 48 per cent of SES staff at 30 June 2026.

We strengthened leadership capability through targeted development programs for Executive Level and SES employees, enhanced implementation of the Australian Public Service (APS) SES Performance Leadership Framework, and expanded learning opportunities in areas including artificial intelligence, policy development, data literacy, risk management, cultural capability and Active Bystander behaviours.

We continued to build a safe, inclusive and high-performing workplace. Treasury reduced workplace injury risks, improved employee health outcomes and strengthened psychosocial safety, earning a moderate-to-high maturity rating for the Healthy Minds: Mental Wellbeing Strategy against the APS Mental Health Capability Framework.

Treasury's APS Employee Census results were among the strongest in the public service. With a 92 per cent response rate, the highest among comparable agencies, we improved across 4 of 6 Census indices. Ninety per cent of staff said they were proud to work at Treasury, 89 per cent would recommend Treasury as a good place to work, and 87 per cent agreed Treasury promotes an inclusive workplace.

We also supported staff wellbeing and inclusion through initiatives such as STEPtember, Safe Work Month, World Mental Health Day, International Day of People with Disability and NAIDOC Week, and introduced an online Adjustment Passport to help staff access ongoing workplace support.

The year ahead

In the year ahead, Treasury will continue to support the government's economic, fiscal and reform priorities while helping to build a more productive, resilient and prosperous Australia.

We will deliver the 2026 Intergenerational Report, the 2026–27 MYEFO and 2027–28 Budget, the 2026 Population Statement and the next Measuring What Matters Statement, providing the analysis and advice needed to support long-term policy decisions, wellbeing reporting and fiscal sustainability.

Treasury will continue to advance major economic reforms, including progressing the First Nations Economic Partnership, supporting the government's response to the Productivity Commission's review of GST distribution, advising on climate-related financial disclosure reforms, and delivering reforms across the financial system, consumer protection, competition, payments and taxation.

We will support the government's $47 billion housing agenda, including new measures to increase housing supply, invest in enabling infrastructure and improve access to housing for Australians in need.

Treasury will continue to advise on international economic developments, national and economic security issues, and foreign investment policy, while progressing the next tranche of foreign investment reforms.

We will continue to support improvements in the sustainability and effectiveness of government programs, including the National Disability Insurance Scheme and health systems, and strengthen oversight and integrity across Australia's financial and regulatory frameworks.

To support these priorities, Treasury will continue investing in its own capability. This includes strengthening data and analytics, improving information management and governance, enhancing cyber security, and launching a refreshed three-year Digital and Cyber Security Strategy in 2026.

Through this work, Treasury will continue to deliver high-quality advice, stewardship and public policy outcomes that support Australia's long-term economic prosperity and wellbeing.

Acknowledgements

The 2025–26 year was full of achievements for Treasury, which is celebrating its 125th year in 2026. I acknowledge all Treasury staff members for their capability, dedication and contributions. I look forward to leading the department into 2026–27.



Jenny Wilkinson PSM
Secretary to the Treasury

1

Department overview

Treasury is the government's lead economic adviser.

Treasury provides economic analysis and policy advice on many issues including the economy, Budget, taxation, financial sector, foreign investment, competition, market conduct, superannuation, small business, housing and international economic policy.

We anticipate and analyse policy issues, taking a whole-of-economy perspective, understand government and stakeholder circumstances, and respond rapidly to changing events and directions. Treasury works with state and territory governments on key policy areas, as well as managing federal financial relations. We deliver large-scale government programs and have regulatory roles in administering Australia's foreign investment framework and the Payment Times Reporting Scheme.

The economic environment in which we operate is highly complex and subject to significant uncertainty. Within this environment, we advise the government on regulations to support a competitive and a dynamic economy. We advise on reforms to boost productivity, promote well-functioning markets and create a tax system that is simpler, fairer and can sustainably fund government expenditure.

Our purpose under the Treasury Corporate Plan 2025–26 is to:

> Provide advice to the government and implement policies and programs to achieve strong and sustainable economic and fiscal outcomes for Australians.

Treasury's Executive Board welcomed 2 new permanent deputy secretaries in 2025–26. Katrina Di Marco was promoted to Deputy Secretary, International, Corporate and Investment Group on 2 September 2025. Ben Rimmer joined the department on 29 September 2025 from the Department of Education to fill the position of Director-General, Housing. This was a new SES Band 3 position within Treasury, established to lead the Housing Group.

A new organisational structure consisting of 6 groups took effect on 12 January 2026 to better balance roles and responsibilities. The Executive Board noted the significant lift in expertise, professionalism and maturity of Treasury's corporate and law functions over the past few years. The Executive Board made a further update to the structure in June 2026, to align related functions and enhance delivery capacity to deliver on priorities. These changes took effect on 1 July 2026.

Under machinery of government changes announced in the 2026–27 Budget, the Investor Front Door function transferred from Treasury to the Department of Industry, Science and Resources with effect 1 July 2026.

Australian Centre for Evaluation

The Australian Centre for Evaluation (ACE) is helping to embed a culture of evaluation and continuous learning across the Australian Public Service (APS). Established in 2023, ACE works to improve the volume, quality and use of evaluation evidence, ensuring that policy and program decisions are informed by a stronger understanding of what works, why it works, for whom.

Since its establishment, ACE has supported implementation of the Commonwealth Evaluation Policy and strengthened evaluation capability across the APS. It has also expanded the practical tools and resources in the Commonwealth Evaluation Toolkit to assist policymakers and program managers.

A key achievement has been the delivery of the APS Evaluation Profession in partnership with the Australian Public Service Commission. The profession brings together people interested in evaluation and evidence-informed policy, helping members build capability, share knowledge, foster innovation and strengthen professional networks across jurisdictions. In 2025–26, membership of the Evaluation Profession grew to more than 6,500 members by 30 June 2026, reflecting strong demand for evaluation capability and evidence-informed policymaking across the public sector.

Through partnerships with departments and agencies, ACE has supported the delivery of high-quality impact evaluations that have addressed questions like:

- What is the effect of easing mutual obligation requirements for job-ready jobseekers?
- How much did electric vehicle purchases increase as a result of tax concessions?
- How much does a 2-year parenting program improve children's readiness for school?

ACE also continued to expand the ACE Evaluation Library, an open-access digital repository hosted in partnership with the Analysis & Policy Observatory. The library provides a central source of evaluation evidence from across the Commonwealth, making evaluation findings more accessible to policymakers, researchers and the broader community. The collection now contains more than 200 evaluation reports, supporting transparency, knowledge sharing and the reuse of evidence to inform future policy and program design.

Through these initiatives, ACE is strengthening the foundations for evidence-informed government and helping ensure that public investments deliver better outcomes for Australians.

ACE also supports the delivery of the Measuring What Matters Framework, Australia's national wellbeing framework that tracks our progress towards a more healthy, secure, sustainable, cohesive and prosperous Australia.

Figure 1 shows Treasury's organisational structure at 30 June 2026. Treasury's accountable authority is the Secretary. Ms Jenny Wilkinson PSM occupied the position during the 2025–26 reporting period.

Figure 1: Treasury senior management structure at 30 June 2026



Secretary
Jenny Wilkinson PSM

Fiscal Group



Deputy Secretary
Damien White

Budget Policy Division
First Assistant Secretary: Philippa Brown PSM

First Nations and Commonwealth-State Relations Division
First Assistant Secretary: Marg Thomas

Labour Market, Environment, Industry and Infrastructure Division
First Assistant Secretary: Trevor Power

Social Policy Division
First Assistant Secretary: Felix Donovan

Housing Group



Director-General
Ben Rimmer

Homelessness and Housing Policy Division
First Assistant Secretary: Nerida Hunter

Housing Supply, Productivity and Engagement Division
First Assistant Secretary: Kirsty Gowans

Australian Building Codes Board
First Assistant Secretary: Adrian Piani

International, Corporate and Investment Group



Deputy Secretary
Katrina Di Marco

Corporate Division
Chief Operating Officer: Fiona McSpeerin

Foreign Investment Division
First Assistant Secretary: Christopher Tinning

International Economics and Security Division
First Assistant Secretary: Ineke Redmond *(Acting)*

Investor Front Door Division
First Assistant Secretary: Mohita Zaheed

Overseas operations

Beijing: David Osborne
Indonesia Ministry of Finance: Amy Leaver *(Acting)*
Jakarta: Cosimo Thawley
London: Steph Gorecki Natik
New Delhi: Katherine Tuck
OECD Paris: Damien Mullaly
Port Moresby: Dougal Robinson
Tokyo: Andrew Deitz
Washington: Vera Holenstein

State offices

Melbourne Office Head: Kylie Bourke

Perth Office Head: Stacie Lawson *(Acting)*

Sydney Office Head: Vacant

Macroeconomic Group



Deputy Secretary
Dr Angelia Grant

Climate, Energy and Trade Insights Division
First Assistant Secretary: Matthew Maloney *(Acting)*

Macroeconomic Analysis and Policy Division
First Assistant Secretary: Jeremy Lawson

Macroeconomic Conditions and Population Division
First Assistant Secretary: Hamish McDonald

Markets Group



Deputy Secretary
James Kelly

Australian Government Actuary
First Assistant Secretary: Guy Thorburn

Competition and Consumer Policy Division
First Assistant Secretary: Jason McDonald

Digital Policy and Corporations Division
First Assistant Secretary: Tony McDonald *(Acting)*

Financial System Division
First Assistant Secretary: Lynn Kelly

Takeovers Panel
Chief Executive: Andrew Bubniw *(Acting)*

Revenue, Small Business and Law Group



Deputy Secretary
Diane Brown

Corporate and International Tax Division
First Assistant Secretary: Marty Robinson

Law Division
First Assistant Secretary: Erin Wells

Personal and Indirect Tax and Charities Division
First Assistant Secretary: Laura Berger-Thomson

Retirement Advice and Investment Division
First Assistant Secretary: Neena Pai

Small Business Division
First Assistant Secretary: Anthony Seebach

Tax Analysis Division
First Assistant Secretary: Shane Johnson

Board of Taxation Secretariat
Assistant Secretary: Paul Korganow

Portfolio overview

The Treasury portfolio undertakes activities in line with its Portfolio Budget Statement outcome. Treasury's outcome is 'supporting and implementing informed decisions on policies for the good of the Australian people, including for achieving strong, sustainable economic growth'. This requires providing advice to Treasury ministers and the efficient administration of Treasury's portfolio functions.

Portfolio ministers

Ministers appointed to the Treasury portfolio during the reporting period 2025–26:

The Hon Jim Chalmers MP

Treasurer

The Hon Clare O'Neil MP

Minister for Housing, Minister for Homelessness, Minister for Cities

The Hon Dr Anne Aly MP

Minister for Small Business, Minister for International Development, Minister for Multicultural Affairs

The Hon Dr Daniel Mulino MP

Assistant Treasurer, Minister for Financial Services

The Hon Dr Andrew Leigh MP

Assistant Minister for Productivity, Competition, Charities and Treasury

Table 1: Ministerial acting arrangements during 2025–26

Minister	Dates	Acting Minister
The Hon Dr Anne Aly MP	28 June 2025 to 4 July 2025	Senator the Hon Tim Ayres (International Development) Senator the Hon Katy Gallagher (Small Business) The Hon Tony Burke MP (Multicultural Affairs)
The Hon Jim Chalmers MP	28 June 2025 to 6 July 2025	Senator the Hon Katy Gallagher
The Hon Dr Anne Aly MP	8 July 2025 to 13 July 2025	The Hon Jim Chalmers MP (Small Business) The Hon Pat Conroy MP (International Development) The Hon Tony Burke MP (Multicultural Affairs)
The Hon Clare O'Neil MP	11 July 2025 to 16 July 2025	The Hon Dr Daniel Mulino MP
The Hon Jim Chalmers MP	16 July 2025 to 19 July 2025	Senator the Hon Katy Gallagher
The Hon Dr Anne Aly MP	3 August 2025 to 8 August 2025	The Hon Tony Burke MP
The Hon Dr Daniel Mulino MP	14 September 2025 to 19 September 2025	The Hon Jim Chalmers MP
The Hon Jim Chalmers MP	24 September 2025 to 28 September 2025	Senator the Hon Katy Gallagher
The Hon Jim Chalmers MP	2 October 2025 to 6 October 2025	Senator the Hon Katy Gallagher
The Hon Clare O'Neil MP	10 October 2025 to 18 October 2025	The Hon Dr Daniel Mulino MP
The Hon Dr Anne Aly MP	13 October 2025 to 18 October 2025	The Hon Mark Butler MP
The Hon Jim Chalmers MP	15 October 2025 to 22 October 2025	Senator the Hon Katy Gallagher
The Hon Dr Anne Aly MP	30 October 2025 to 6 November 2025	The Hon Tony Burke MP
The Hon Jim Chalmers MP	4 December 2025 to 5 December 2025	Senator the Hon Katy Gallagher
The Hon Jim Chalmers MP	22 December 2025 to 4 January 2026	Senator the Hon Katy Gallagher

Minister	Dates	Acting Minister
The Hon Dr Anne Aly MP	26 December 2025 to 18 January 2026	The Hon Tanya Plibersek MP
The Hon Dr Daniel Mulino MP	29 December 2025 to 18 January 2026	The Hon Michelle Rowland MP
The Hon Clare O'Neil MP	5 January 2026 to 18 January 2026	The Hon Jim Chalmers MP
The Hon Jim Chalmers MP	11 January 2026 to 14 January 2026	Senator the Hon Katy Gallagher
The Hon Clare O'Neil MP	3 April 2026 to 13 April 2026	The Hon Dr Anne Aly MP
The Hon Jim Chalmers MP	15 April 2026 to 18 April 2026	Senator the Hon Katy Gallagher

The Department of Prime Minister and Cabinet publishes ministerial acting arrangements quarterly at www.pmc.gov.au/government/administration/acting-ministerial-arrangements.

Portfolio structure

At 30 June 2026, the Treasury portfolio comprised the Department of the Treasury and 17 entities in the general government sector:

- Australian Bureau of Statistics
- Australian Financial Security Authority
- Australian Competition and Consumer Commission
- Australian Office of Financial Management
- Australian Prudential Regulation Authority
- Australian Reinsurance Pool Corporation
- Australian Securities and Investments Commission
- Australian Taxation Office
- Commonwealth Grants Commission
- Housing Australia
- Inspector-General of Taxation
- National Competition Council
- Office of the Auditing and Assurance Standards Board
- Office of the Australian Accounting Standards Board
- Productivity Commission
- Reserve Bank of Australia
- Royal Australian Mint

Table 2: Treasury outcome and program structure at 30 June 2026

Outcome 1: Supporting and implementing informed decisions on policies for the good of the Australian people, including for achieving strong, sustainable economic growth, through the provision of advice to Treasury ministers and the efficient administration of Treasury's functions.

Program 1.1: Economic Management
Program 1.2: International Financial Relations
Program 1.3: Support for Markets and Business
Program 1.4: Commonwealth-State Financial Relations
Program 1.5: Support for Housing Supply and Affordability

Part 2 – Report on performance

Annual Performance Statements 2025–26

Statement of preparation

I, as the Accountable Authority of the Department of the Treasury, present the Annual Performance Statements 2025–26 as required under section 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

In my opinion, the Annual Performance Statements are based on properly maintained records, accurately reflect the performance of the Treasury, and comply with section 39(2) of the PGPA Act.

In accordance with subsection 16F of the Public Governance, Performance and Accountability Rule 2014 (PGPA Rule), these statements report on our performance in the year ended 30 June 2026, assessed against the purpose, key activities, and performance measures relevant to the Treasury published in:

- the Department of the Treasury 2025–26 Corporate Plan (Corporate Plan 2025–26)
- 2025–26 Portfolio Budget Statements – the Department of the Treasury (PBS 2025–26).



Jenny Wilkinson PSM
Secretary to the Treasury

22 September 2026

Treasury's purpose

We provide advice to the government and implement policies and programs to achieve strong and sustainable economic and fiscal outcomes for Australians.

As set out in the Corporate Plan 2025–26, Treasury achieves our purpose through our key activities:

- **Key activity 1:** Treasury's policy advice and analysis is impactful, informed, and influential
- **Key activity 2:** Treasury's implementation of policies and regulation supports Australia's economy and national interest
- **Key activity 3:** Treasury's external engagements enable implementation of the government's economic and fiscal agenda.

In 2025–26, Treasury used 14 performance measures across the 3 key activities of the Corporate Plan 2025–26 to assess performance against the activities undertaken to achieve our purpose.

Treasury's outcome

Supporting and implementing informed decisions on policies for the good of the Australian people, including for achieving strong, sustainable economic growth, through the provision of advice to Treasury ministers and the efficient administration of Treasury's functions.

Changes to performance measures

Treasury has made amendments to performance information published in the Corporate Plan 2025–26 through the Treasury 2026–27 Portfolio Budget Statements. The amendments relate to Performance measure 7 – *Social and affordable dwellings*, which has changed from monitoring contracted dwellings to instead compare the expected and actual tenantable status of dwellings.

Performance measure	Target	Methodology	Rationale for change
Performance measure 7 – published measure Proportion of social and affordable dwellings contracted that received support from Housing Australia, assessed against the annual target.	8,000 dwellings contracted	Calculation of the number of dwellings for acquisition, construction, refurbishment or otherwise intended to be available for social or affordable housing that are contracted in the financial year assessed against the target. A contracted dwelling is a contract for the disbursement of grant funds or concessional loans made to an eligible entity by Housing Australia.	This measure has changed from monitoring contracted dwellings to now compare the expected and actual tenantable status of dwellings. Program delivery by Housing Australia, and program oversight by Treasury, have matured, allowing Treasury to compare the expected (as per contracts) and actual dwellings that have become ready for tenants.
Performance measure 7 – amended measure Proportion of social and affordable dwellings that have become ready for tenants, compared to the contracted delivery schedule.	90% of dwellings are ready for tenants	Calculation of the number of dwellings that have become ready for tenants under the Housing Australia Future Fund and National Housing Accord Facility in the reporting period, compared to the expected dwelling completion dates set out in funding recipients' contracts.	This is a more meaningful measure and aligns with expectations of the government's investment in social and affordable housing.

Results and analysis

Analysis of performance against Treasury's purpose

Treasury's annual performance statements report on the period from 1 July 2025 to 30 June 2026. The statements provide a clear read of Treasury's performance over the financial year against the key activities and performance measures in the Corporate Plan 2025–26 and 2025–26 Portfolio Budget Statements (PBS).[1]

Treasury achieved, substantially achieved, or partially achieved 12 of the 14 performance measures.

- Performance measures 1, 2, 3, 4, 6, 8, 9, 12, and 13 were achieved.[2]
- Performance measures 1, 5, 12 and 14 were substantially achieved.[3]
- Performance measures 7 and 11 were partially achieved.
- Performance measure 10 was not achieved.

A summary of achievement against the activities and performance measures is provided on pages 27 to 29. A detailed assessment of achievement and analysis for individual performance measures is presented on pages 30 to 77.

Key activity 1: Treasury's policy advice and analysis is impactful, informed, and influential

Policy advice and outcomes

Advice and analysis provided to ministers are fundamental to achieving Treasury's purpose. The quality of this advice (performance measure 1) was assessed through a structured feedback questionnaire. Consistent with prior years, Treasury received high ratings from ministers or their representatives.

Treasury has maintained its reputation for shaping government decision-making through provision of trusted and high-quality policy advice and analysis on a range of economic, social, and demographic issues. In 2025–26, our policy advice and analysis supported government measures including taxation and superannuation reforms, productivity reforms, including reducing the regulatory burden across the portfolio, the NetZero Commitment and the economic response to the Middle East.

Treasury supported the delivery of *Homes for Australia: A National Plan*, which the government released on 28 May 2026. The plan is an outcome of Treasury's policy advice, analysis, and collaboration with other government departments responsible for housing-related policies programs and initiatives, states and territories, and external stakeholders.

1 Performance information in the Portfolio Budget Statements 2025–26 was updated through the Corporate Plan 2025–26.

2 The ministerial feedback questionnaire component of performance measure 1 was achieved. The Foreign Investment Framework component of performance measure 9 was achieved and Treasury was unable to report the Payment Times Reporting Scheme component. The ministerial feedback questionnaire component of performance measure 12 was achieved.

3 The stakeholder survey component of performance measure 1 was substantially achieved. The stakeholder survey component of performance measure 12 was substantially achieved.

Feedback from ministers demonstrated a strong appreciation for Treasury's advice. It was viewed as well-regarded, proactive and increasingly timely, supported by relevant evidence and robust analysis, and coherent across government. Feedback and results will be used by Treasury's senior executives to improve performance. Treasury is reporting performance measure 1 as achieved for the ministerial feedback questionnaire.

Treasury engaged with government stakeholders on a range of policy matters and assessed the quality of its policy advice through a stakeholder survey (performance measure 1). Treasury conducts an annual review to ensure the policy areas included in the survey accurately reflect our functions. Survey results for Australian Government stakeholders slightly declined from 2024–25 but demonstrate a continuing trend of improvement from prior years. There were improvements in stakeholder feedback for half of the policy areas in 2025–26, including Treasury's advice on tax, financial systems and superannuation, and the development of legislation. Treasury is reporting this component of performance measure 1 as substantially achieved.

Treasury has continued to improve the framework for the stakeholder survey and ministerial interviews in 2025–26 by asking how Treasury policy advice supports government decision-making in ways that contribute to improved productivity over time. This provides an additional dimension to reporting on Treasury's policy advice.

Forecasting, budgets, and fiscal and economic updates

Treasury's forecasting and analysis informs its policy advice and government decision-making. Key products include economic and demographic forecasts for the 2025–26 Mid-Year Economic and Fiscal Outlook (MYEFO) and the 2026–27 Budget. The Budget papers include forecasting against actual results for Gross Domestic Product and Total Tax Receipts (excluding Company Tax) (performance measures 2 and 3). These performance measures were achieved in 2025–26.

Treasury supports transparency of the Australian Budget position through the timely delivery of budget documents (performance measure 4). These publications are the outcomes of Treasury's policy advice, analysis, forecasting, and broad consultation with government and external stakeholders. Significant policy outcomes delivered through the budget process in 2025–26 included:

- a tax reform package
- reducing regulatory burden to improve productivity
- improving the long-term sustainability of the National Disability Insurance Scheme
- increasing housing supply and home ownership
- improving timeliness of foreign investment proposals.

The legislative requirements and timeframes for budget publications are outlined in the *Charter of Budget Honesty Act 1998* (Charter). This reporting period included the release of the 2024–25 Final Budget Outcome, 2025–26 MYEFO, and the 2026–27 Budget. Consistent with prior years, these items were released on time and performance measure 4 was achieved.

Key activity 2: Treasury's implementation of policies and regulation supports Australia's economy and national interest

Treasury supports the implementation of government policies through its programs and legislation, taxation measures, regulatory functions, and engagement with Treasury portfolio regulators. Various measures are used to assess implementation, understand and track market developments, and assess the effectiveness of our policy outcomes. These measures relate to advice on the competitiveness of markets, stability of financial systems, provision of social and affordable housing, the management of our legislative program, and foreign investment and payment times regulation.

Markets and financial systems

Treasury oversees policy and legislative development across Australia's financial markets and regulatory framework, including matters related to investment, retirement incomes, provision of actuarial services, corporations, competition, and consumer data and law. Performance measure 5 assesses Australia's competitiveness in 2025–26 using data from the Institute for Management Development. Australia was marginally more competitive in 2025–26 compared with 2024–25. Australia did not meet the target, although the measure was substantially achieved.

Treasury helps maintain financial stability by working with the Australian Prudential Regulation Authority to monitor prudentially regulated entities and avoid disorderly failures (performance measure 6). Treasury actively monitored trends and economic activity in the financial system that could contribute to entity failures. Consistent with prior years, there were no disorderly failures of prudentially regulated entities in 2025–26 and the performance measure was achieved.

Housing supply and affordability

Treasury advises the government on national housing, rental, homelessness, and cities policy and oversees Housing Australia, which as the national housing authority, supports delivery of the government's housing agenda. This includes improving the supply of sustainable long-term social and affordable housing and supporting home ownership for more Australians. Treasury is responsible for policies and programs to deliver social and affordable homes to support Australians most in need, including the Australian Government's commitment to deliver 55,000 social and affordable homes by mid-2029. In 2025–26, Treasury commenced monitoring the delivery of social and affordable dwellings for tenants (performance measure 7). This performance measure was partially achieved.

Legislative program

Treasury's legislative program (performance measure 8) delivers the government's policy priorities. In 2025–26, parliamentary legislation gave effect to government policies in superannuation, taxation, competition and consumer protection, housing, and cost-of-living relief measures in response to the Middle East conflict. Treasury delivered 95 per cent of committed legislative measures agreed with government during parliamentary sitting periods. Performance measure 8 was achieved, consistent with the prior year.

Regulatory functions

Treasury is responsible for regulation of the foreign investment framework and the Payment Times Reporting Scheme. A stakeholder survey is used to assess Treasury's performance against 3 principles of best practice regulation set out in Department of Finance guidance (RMG 128) (performance measure 9).

Treasury continued to implement reforms to the foreign investment framework during the period, including reducing barriers for low-risk investments and enhancing the Foreign Investment Portal. The Payment Times Reporting Regulator implemented and embedded major reforms commenced in 2024–25, including the launch of a new Payment Times Reporting Portal. Performance against performance measure 9 improved in 2025–26 with the foreign investment framework reporting an achieved result, while the Payment Times Reporting Scheme reported an indicative substantially achieved result as the response rate did not achieve the required threshold to be considered appropriate for performance reporting.

Treasury implemented 2 new regulatory measures in 2025–26 (performance measures 10 and 11). Together with performance measure 9, they provide a more comprehensive assessment of Treasury's regulator performance.

Treasury administers the Payment Times Reporting Scheme to improve payment practices of larger businesses and foster a prompt payment culture to support economic growth and outcomes for small business suppliers (performance measure 10). This is the first full year assessing the scheme's performance since significant reforms were introduced in 2024. These reforms improve transparency aimed at fostering a fairer business environment which supports the growth and sustainability of small businesses nationwide. The scheme currently captures the reported payment practices of over 30,000 entities, which includes reporting entities and controlled entities. In its first year of reporting, despite actions taken to improve compliance, the number of entities complying with their obligations – 62 per cent of regulated entities – was below the target required to achieve this measure.

The government has implemented a reform agenda to streamline and strengthen Australia's foreign investment framework, including simplifying the consultation and assessment process for proposals to enable decisions to be made more quickly (performance measure 11). Treasury dedicates more resources to assessing higher risk proposals in critical and sensitive sectors. Well-calibrated regulatory settings benefit our economy by encouraging foreign investment that contributes to economic priorities while protecting the national interest. The Treasury is reporting this measure as partially achieved, noting this is its first year of reporting.

Key activity 3: Treasury's external engagements enable implementation of the government's economic and fiscal agenda

Effective stakeholder relationships

Treasury's external engagement activities, including international and state agreements, policy consultation, economic modelling, programs, and legislative processes, shape and enable delivery of our core functions. Treasury's effectiveness in managing relationships with ministers, portfolio agencies, Australian Government entities, and external stakeholders was assessed through a ministerial feedback questionnaire and stakeholder survey (performance measure 12).

Feedback from Treasury ministers or their representatives was positive and aligned with results from prior years. Respondents noted the value of Treasury's advice, enhanced delivery, the expertise of Treasury staff, and the department's effectiveness in balancing strategic direction with effective implementation of priorities. Performance measure 12 was achieved for the ministerial feedback questionnaire.

Treasury's collaborative efforts contributed towards advancing policy development and reform, regulatory initiatives, legislative changes, and program delivery. Consultation informed the Budget, fiscal and economic updates, policy reforms, and implementation of the government's plan to rebuild Australia's housing system. In 2025, Treasury delivered the Economic Reform Roundtable and advanced a broad productivity agenda. Treasury's engagement with states and territories helped drive progress on national priorities, including housing, regulatory reform, national competition policy, migrant skills recognition, and health reform.

Treasury engages with a range of stakeholders to support delivery of its policy agenda, recognising that strong and effective working relationships are critical to achieving outcomes. In 2025–26, Treasury revised the stakeholder survey for assessing these working relationships (performance measure 12) to align with the principles of the Australian Public Service (APS) Charter of Partnerships and Engagement.[4] As part of the broader APS Reform agenda, the Charter promotes a people and business centred approach to policy development, implementation, and service delivery. Stakeholders from the Australian Government, state and territory government, and non-government organisations were surveyed against the Charter's 6 principles. Responses were positive. This performance measure was substantially achieved.

A key achievement during the period was Treasury's engagement with businesses, industry groups, and state and territory governments to develop and implement the government's economic response to the Middle East conflict. Treasury coordinated scenario mapping and economic and fiscal response options across multiple escalation levels, worked with businesses and industry to support the delivery of response measures, and partnered with states and territories to design and negotiate the Fuel Excise Relief package.

4 https://www.apsc.gov.au/aps-news/charter-partnerships-and-engagement

International monetary cooperation

Treasury works closely with stakeholders to deliver and oversee spending arrangements in accordance with legislative requirements and intergovernmental agreements. All payments to international financial institutions (performance measure 13) were administered within legislative requirements and agreements. This measure was achieved. Payments were made to the World Bank, the European Bank for Reconstruction and Development, the Asian Development Bank, and the International Monetary Fund.

Commonwealth–state financial relations

Treasury administers funding to states and territories in accordance with the *Intergovernmental Agreement on Federal Financial Relations* and other relevant agreements. By delivering these payments, Treasury supports the implementation of the government's policy agenda in health services, skills and workforce development, social housing and homelessness, energy affordability, and education. Consistent with the prior year, performance measure 14 was substantially achieved.

Housing completeness statement 2025–26

Transferred functions in 2025

In May 2025, functions were transferred to Treasury as part of machinery of government changes, including housing, rental and homelessness policy and programs from the Department of Social Services (DSS) and policy on cities and land use and planning from the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts (DITRDCSA).

The transferred policy functions included responsibility for reporting on performance measures reported in the Treasury Annual Performance Statements 2024–25:

- Four performance measures from DSS – one measure for Safe Places Emergency Accommodation and the National Agreement on Social Housing and Homelessness, and two performance measures for the National Rental Affordability Scheme.
- One measure from DITRDCSA for Advice on Australian cities.

Completeness of the performance framework

As part of Treasury's annual review of the performance framework in 2026, the Executive Board noted the performance framework was incomplete for reporting in 2025–26 in relation to the coverage of housing functions. The Executive Board agreed that the framework would be complete with the inclusion of an additional housing measure in the Corporate Plan 2026–27.

Housing performance reporting in 2025–26

In 2026, Treasury refined performance measure 7 for social and affordable housing from monitoring contracted dwellings to compare the expected and actual tenantable status of dwellings. This is a more meaningful measure and aligns with expectations of the government's investment in social and affordable housing. The measure was updated in the Treasury Portfolio Budget Statement 2026–27.

Treasury's housing function activities

Treasury's Housing Group has advanced several housing-relating initiatives in 2025–26 that impact housing supply, access, and affordability in Australia. These initiatives are demonstrative of Treasury's progress in delivering the government's broader housing agenda.

Access to housing

- Treasury has overarching responsibility for the Australian Government's home ownership policy and supports Housing Australia. There were 50,647 guarantees issued as at 30 June 2026 under the 5% Deposit Scheme since expansion (1 October 2025). Under Help to Buy, 7,261 applications have been received[5] and 4,808 had been approved[6], supporting 6,358 Australians into home ownership since the scheme's launch.
- Treasury continues to work with states and territories to progress National Cabinet's 2023 commitment *A Better Deal for Renters* and support implementation of the remaining reforms, which seeks to strengthen renter protections and improve stability and security for renters.
- Treasury has policy responsibility for the National Rental Affordability Scheme. Operational support for the Scheme is provided by DSS. The Scheme concluded in June 2026 with over 36,500 payment allocations over the life of the Scheme.
- The Reconnect program ($124.6 million over 4 years to 30 June 2027) is a community based early intervention and prevention program for young people aged 12 to 18 years (or 12 to 21 years for youth newly arrived to Australia) who are homeless or at risk of homelessness, and their families. Reconnect is delivered across 100 services nationally and helps over 8,400 young people and their families each year.
- Treasury is delivering a 2026–27 Budget measure which, when operational, will provide states with funding to support young people into secure housing. Negotiations have progressed with jurisdictions in 2025–26 to confirm arrangements which will deliver support for over 4,000 young people aged 16 to 24 who are at risk of, or are experiencing, homelessness.
- The Safe Places Emergency Accommodation program is expected to deliver a total of 400 dwellings across remote, regional and metro areas in all states and territories. This will support over 10,000 women and children annually. As of 30 June 2026, 222 dwellings have been delivered. These will support up to 7,628 women and children experiencing family and domestic violence each year. Five projects reached completion or partial completion in 2025–26, adding 29 dwellings which will support 349 women and children annually.
- Under the Crisis and Transitional Accommodation Program, 257 dwellings are expected to be delivered across all states and territories upon completion of projects. In 2025–26, 7 projects reached completion or partial completion delivering 32 dwellings which will support 198 women and children annually.
- Treasury is delivering the Family and Domestic Violence and Homelessness Capital Grants program which provides $24.8 million across 3 election commitment projects: Expansion of Jewish House, Survivor's R Us and The Coast Trauma Recovery Centre. Survivor's R Us has been operating from its permanent site since February 2026, and there is steady progress underway on The Coast Trauma Recovery Centre and Jewish House expansion projects.

5 Applications 'received' refers to all reserved and approved places under the Scheme. This includes applicants who have a place held under the Scheme but have not yet found a home, and applicants who have found a home and exchanged contracts but may not yet have settled. It excludes any cancelled, expired or withdrawn applications.

6 Approved refers to 'approved applications' which are places under the Scheme where the applicant has found a home and exchanged contracts. The applicant may or may not have settled (i.e. received the keys to their new home).

Increasing housing supply

- Under the 100,000 Homes for First Home Buyers Program, the government is providing $2 billion in grant funding and $8 billion in concessional loans to support the delivery of up to 100,000 homes reserved for sale to first home buyers by 30 June 2034. By 30 June 2026, the government had announced deals with 5 states and territories that are expected to deliver more than 112,000 homes, with at least 42,000 reserved for first home buyers. Negotiations continue with the remaining states.
- Treasury administers the $1.5 billion Housing Support Program, which provides funding to state, territory and local governments for over 200 projects and around 91,000 new homes over the next 10 years. Priority Works Stream (PWS) funding supports a mix of direct social and affordable housing construction activities and enabling infrastructure and planning works that facilitate future housing supply. States and territories identify projects and activities through their PWS Implementation Plans that are provided to Treasury. Based on information provided by jurisdictions, more than 700 social and affordable homes are forecast to be delivered through projects supported by PWS funding.
- Treasury has worked with states and territories and other stakeholders following the 2025 Economic Roundtable to modernise the National Construction Code (NCC). This will streamline usability, enable modern methods of construction, and improve the code's development process. Treasury released the NCC Modernisation Project Interim Report on 30 April 2026. It set 5 reform directions to simplify the NCC, restore national consistency, strengthen decision-making, enable innovation and reduce compliance costs.

Housing performance reporting in 2026–27

Treasury has included a new performance measure for housing supply in the Corporate Plan 2026–27. This measure assesses Treasury's effectiveness in implementing housing-related policies and regulatory reforms and providing high-quality advice to support improved housing supply and access across Australia.

Performance summary 2025–26

Key activity 1: Treasury's policy advice and analysis is impactful, informed and influential

Performance measure	2025–26 target	Performance achieved
Performance measure 1 Proportion of Treasury ministers, key government entities and stakeholders that rate Treasury advice highly.	87% Ministerial feedback questionnaire	**Achieved**
	80% Stakeholder survey	**Substantially achieved**
Performance measure 2 Variance between actual real Gross Domestic Product (GDP) and forecast real GDP.	Real GDP falls within 70% confidence interval of forecast real GDP.	**Achieved**
Performance measure 3 Variance between actual total tax receipts (excluding company tax) and forecast.	Total tax receipts (excluding company tax) for 2025–26 falls within 70% confidence interval of forecast at the 2025–26 Budget.	**Achieved**
Performance measure 4 Delivered in line with the requirements of the *Charter of Budget Honesty Act 1998* (Charter).	100%	**Achieved**

Key activity 2: Treasury's implementation of policies and regulation supports Australia's economy and national interest

Performance measure	2025–26 target	Performance achieved
Performance measure 5 Australia maintains or improves its 2022 score on markets related inputs to the World Competitiveness Ranking produced by the Institute for Management Development.	Competitiveness score ≥105	**Substantially achieved**
Performance measure 6 No disorderly failures of institutions prudentially regulated in Australia.	No disorderly failures of prudentially regulated institutions.	**Achieved**
Performance measure 7 Proportion of social and affordable dwellings that have become ready for tenants, compared to the contracted delivery schedule.	90%	**Partially achieved**
Performance measure 8 Proportion of legislative measures committed for delivery at the beginning of a parliamentary sitting period, adjusted for any government reprioritisation of legislative measures during the sitting period, and compared to the actual number delivered.	94%	**Achieved**
Performance measure 9 Proportion of stakeholders that report a high level of satisfaction regarding: • the clarity, transparency, and consistent application of Treasury's regulatory frameworks (Regulator Performance (RMG 128) Principle 1) • risk-based, data-driven decision making (RMG 128 Principle 2) • Treasury's responsive communication and collaboration (RMG 128 Principle 3)	65% Foreign Investment Framework	**Achieved**
	65% Payment Times Reporting Scheme	**Unable to report**
Performance measure 10 Proportion of regulated entities that complied with their obligation to report under the *Payment Times Reporting Act 2020*.	85%	**Not achieved**
Performance measure 11 Proportion of commercial foreign investment proposals decided within the target 30-day decision period.	50%	**Partially achieved**

Key activity 3: Treasury's external engagements enable implementation of the government's economic and fiscal agenda

Performance measure	2025–26 target	Performance achieved
Performance measure 12 Proportion of Treasury ministers, Treasury portfolio agencies and regulators, and key stakeholders that highly rate working with the Treasury.	87% Ministerial feedback questionnaire	**Achieved**
	80% Stakeholder survey	**Substantially achieved**
Performance measure 13 Proportion of payments to international financial institutions are transferred within legislated requirements and agreements.	100%	**Achieved**
Performance measure 14 Proportion of payments to the states are delivered within requirements of the Intergovernmental Agreement on Federal Financial Relations and other relevant agreements between the Commonwealth and the states.	100%	**Substantially achieved**

Key activity 1 – Treasury's policy advice and analysis is impactful, informed and influential

Intended result 1.1

Treasury's policy advice on fiscal, macroeconomic, tax, markets and regulatory issues reflects a whole of economy view and supports improved productivity outcomes for the Australian economy.

Performance measure 1

Proportion of Treasury ministers, key government entities and stakeholders that rate Treasury advice highly.[7]

Target 2025–26	Performance result 2025–26	Performance result 2024–25	Performance result 2023–24	Performance result 2022–23
Ministerial feedback questionnaire: 87%	**Achieved** 100% of Treasury ministers or their representative provided overall ratings in the high-performance range.	**Achieved** 100% of Treasury ministers or their representative provided overall ratings in the high-performance range.	**Achieved** 100% of Treasury ministers or their representative provided overall ratings in the high-performance range.	**Achieved** 100% of Treasury ministers or their representative provided overall ratings in the high-performance range.
Stakeholder survey: 80%	**Substantially achieved** 78% of survey respondents provided overall ratings in the high-performance range.	**Achieved** 84% of survey respondents provided overall ratings in the high-performance range.	**Partially achieved** 74% of survey respondents provided overall ratings in the high-performance range.	**Not achieved** 69% of survey respondents provided overall ratings in the high-performance range.

Assessment of performance achieved in 2025–26

Ministerial feedback questionnaire: Achieved is assessed as equal to or above 87 per cent of Treasury ministers or their representative provided a 'high' overall rating, substantially achieved is assessed as 82 to 86 per cent, partially achieved is assessed as 77 to 81 per cent, and not achieved is assessed as equal to or below 76 per cent.

Stakeholder survey: Achieved is assessed as equal to or above 80 per cent of survey respondents provided a 'high' overall rating, substantially achieved is assessed as 75 to 79 per cent, partially achieved is assessed as 70 to 74 per cent, and not achieved is assessed as equal to or below 69 per cent.

7 Key stakeholders involved in the survey are senior executives in other Australian Government entities who dealt with Treasury in the past year (1 April 2025 – 31 March 2026).

The 'high' overall rating is the average of responses classified as 3.51 to 5.00 out of 5.00. See 'Approach to Calculating Policy Advice' in Part 5 – Appendices – Methodology for the Annual Stakeholder Survey.

Methodology

Independent stakeholder survey with key government entities and stakeholders conducted by a third-party provider, and structured interviews with Treasury ministers or their representatives. The assessment of the ministerial feedback questionnaire will be weighted so that the Treasurer's responses account for 50 per cent of the overall percentage measure. Stakeholder selection is governed by transparent stakeholder selection rules.

Data sources

Stakeholder lists and responses to the stakeholder survey and the ministerial feedback questionnaire from Treasury ministers or their representatives.

Source

PBS Program 1.1 – Economic Management, Corporate Plan 2025–26.

Analysis

Treasury used structured interviews with Treasury ministers or their representatives and surveyed stakeholders to assess its policy advice performance. Treasury engaged an external provider to develop and report on the ministerial feedback questionnaire and the stakeholder survey. All 5 ministerial interviews were conducted in June 2026 by a Treasury deputy secretary. The external provider attended as an objective observer and note taker.

Treasury applied a policy advice matrix to the ministerial questionnaire and stakeholder survey to assess the extent to which its policy advice is informed, influential, and impactful.[8] The matrix provides a more structured and comprehensive assessment of Treasury's advice.

Treasury introduced a new question in 2025–26 in the ministerial questionnaire and stakeholder survey to assess the contribution of its policy advice to improved productivity over time. Results for the productivity question have been incorporated into the analysis but do not contribute to the calculation and performance result for this measure.

Performance feedback from Treasury ministers and stakeholders is reported separately in this analysis.

8 The application of the policy advice matrix is detailed in Part 5 – Appendices – Methodology for the Annual Stakeholder Survey.

Ministerial feedback questionnaire

The performance target has been achieved.

The ministerial interviews received a 100 per cent response rate and achieved a performance result of 100 per cent. Treasury used structured interviews with ministers or their representatives to complete the ministerial feedback questionnaire.[9] The Treasurer, Assistant Treasurer and Minister for Financial Services, and the Minister for Housing, Minister for Homelessness, and Minister for Cities were represented by their respective chiefs of staff. The Minister for Small Business, Minister for International Relations and Minister for Multicultural Affairs was represented by her director of policy and senior policy adviser. The Assistant Minister for Productivity, Competition, Charities and Treasury participated personally in his interview.

As the senior minister with a higher volume of interactions with the Treasury and greater policy coverage, the Treasurer's (or their representative's) survey ratings were weighted more highly than those of other Treasury ministers. Under this weighting formula, the Treasurer's responses accounted for 50 per cent of the aggregate performance results derived from the survey.

Ministerial feedback described Treasury's advice as rigorous, data-driven, proactive, and providing a broad perspective on issues. This included financial systems policy advice that considered international perspectives and advice on improving productivity. Treasury's analytical capability and use of contemporary and relevant evidence was identified as important by our ministerial stakeholders, with improved timeliness of advice also noted.

The ministerial feedback questionnaire used 3 criteria to assess Treasury's performance. All ministerial stakeholders agreed Treasury's advice was informed and impactful (100 per cent on both aspects) while nearly all felt that it was influential (88 per cent). This result is largely consistent with the high overall ratings provided by ministerial stakeholders in 2024–25.

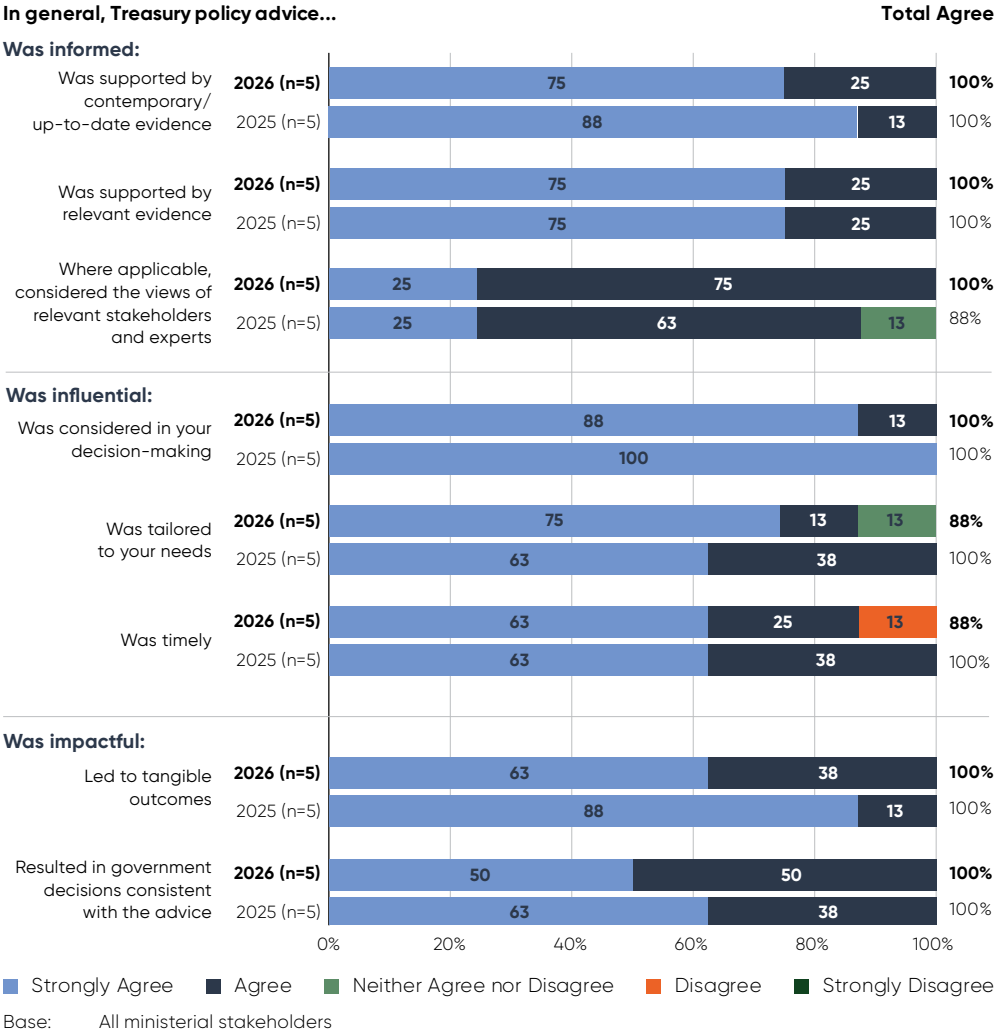
In 2025–26, all ministerial stakeholders agreed (100 per cent, including 63 per cent who strongly agreed) that Treasury's policy advice supported government decision-making in ways that contribute to improved productivity over time.

In 2025–26, all ministerial stakeholders were favourable in their assessments of nearly all aspects of Treasury's policy advice. Ministerial stakeholders strongly agreed that Treasury's policy advice was considered in their decision making (88 per cent compared to 100 per cent in 2024–25) and was supported by contemporary and relevant evidence (both 75 per cent compared to 88 and 75 per cent respectively in 2024–25).

9 The ministerial feedback questionnaire asked ministers to rate specific aspects or attributes of Treasury's policy advice on a 5-point 'agreement' rating scale. The individual attribute ratings provided by ministers were aggregated to derive numerical scores that indicate 'high', 'moderate' and 'low' performance in each area, as well as 'overall' (the average of ratings for each area).

All ministerial stakeholders agreed Treasury's advice led to tangible outcomes, considered the views of relevant stakeholders, and resulted in government decisions consistent with the advice. Overall perceptions that Treasury's policy advice was tailored to ministers' needs and was timely were slightly lower compared to 2024–25 (88 per cent for both aspects, down from 100 per cent), with one respondent disagreeing that policy advice is timely.

Figure 2: Summary of performance results of ministerial interviews, comparison 2025 and 2026



Base: All ministerial stakeholders

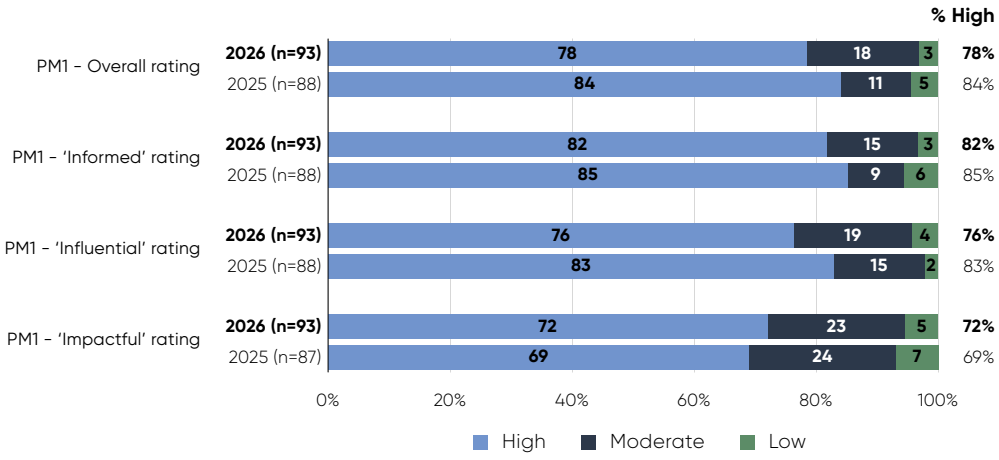
Stakeholder survey

The performance target has been substantially achieved.

Treasury invited 467 Australian Government entity stakeholders to participate in the survey. This is an increase from 421 in 2024–25. The survey had a response rate of 26 per cent and achieved a performance result of 78 per cent.[10] This is a moderate decrease from 84 per cent in 2024–25. A small proportion (18 per cent, up from 11 per cent in 2024–25) provided moderate ratings, while a very small proportion (3 per cent, similar to 5 per cent in 2024–25) provided low ratings.

Compared with 2024–25, ratings for 2 of the 3 criteria from Treasury's Policy Advice Matrix declined, while ratings for the third improved. Stakeholders continued to provide the most favourable ratings for the extent to which Treasury's advice was 'informed' (82 per cent, down slightly from 85 per cent), followed by the 'influential' nature of the advice (76 per cent, down from 83 per cent). In contrast, perceptions of the extent to which Treasury's advice was 'impactful' improved (72 per cent, up slightly from 69 per cent). This represented the strongest result for the 'impactful' criterion since the stakeholder survey commenced.

Figure 3: Average ratings of stakeholder feedback for the 3 policy criteria, comparison 2025 and 2026



Base: Australian Government entity stakeholders who saw Treasury's policy advice to government

In 2025–26, Australian Government entity stakeholders were asked a new question about how Treasury's policy advice contributes to improved productivity over time. Overall, 60 per cent of Australian Government entity stakeholders gave this a high rating.

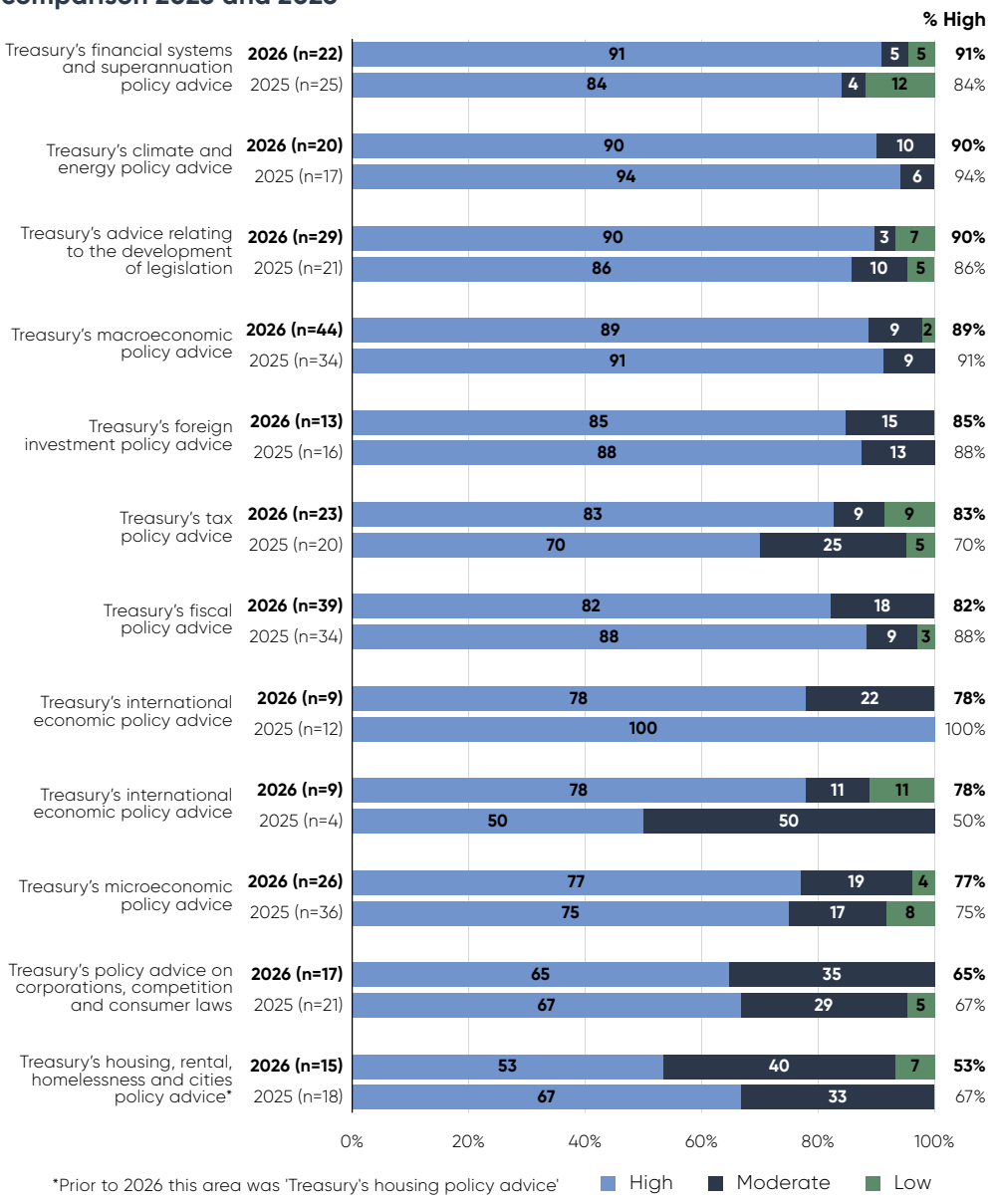
10 A response rate of 20 per cent was established as a valid response for the survey.

Stakeholders highlighted strengths in Treasury's policy advice including macroeconomic and microeconomic policy, tax reform, superannuation reform, small business impacts on climate reporting requirements, preparation of the Women's Budget Statement, and impacts of the Middle East conflict and related supply constraints.

Stakeholder survey responses were used to produce individual results against 14 of Treasury's policy areas. Overall ratings were most favourable in relation to Treasury's financial systems and superannuation policy advice (91 per cent, up from 84 per cent), climate and energy policy advice (90 per cent, down slightly from 94 per cent), advice on the development of legislation (90 per cent, up from 86 per cent) and macroeconomic policy advice (89 per cent, down slightly from 91 per cent). The second lowest rating was for corporations, competition and consumer law policy advice at 65 per cent, down slightly from 67 per cent. The lowest rating was for Treasury's housing, rental, homelessness, and cities policy advice at 53 per cent, which was expanded to accommodate increased areas of policy responsibility.

Two of the 14 policy areas, small business and not-for-profit entities, received less than 5 responses making the individual results less meaningful for reporting purposes. Year-to-year differences may appear more pronounced and should be interpreted with caution. The results for these policy areas contribute to the overall result of 78 per cent but have not been displayed with the other policy areas.

Figure 4: Performance results for each area of Treasury's policy advice, comparison 2025 and 2026



Base: Australian Government entity stakeholders who saw Treasury's policy advice to government in each area

Intended result 1.2

Treasury forecasts inform policy advice to government and are in an acceptable range of variance with actuals.

Performance measure 2

Variance between actual real Gross Domestic Product (GDP) and forecast real GDP.

Target 2025–26	Performance result 2025–26	Performance result 2024–25	Performance result 2023–24	Performance result 2022–23
Real GDP falls within 70% confidence interval of forecast real GDP.	**Achieved** Cumulative annualised growth rate for real GDP from 2023–24 to 2025–26: 1.8%.[a] Within the 70% confidence interval range of 1 to 2½ per cent published at the 2025–26 Budget.	**Achieved** Cumulative annualised growth rate for real GDP from 2022–23 to 2024–25: 1.3%. Within the 70% confidence interval range of 1 to 2¾ per cent published at the 2024–25 Budget.	**Achieved** Cumulative annualised growth rate for real GDP from 2021–22 to 2023–24: 2.3%. Within the 70% confidence interval range of 1½ to 3¼ per cent published at the 2023–24 Budget.	**Achieved** Cumulative annualised growth rate for real GDP from 2020–21 to 2022–23: 3.5%. Within the 70% confidence interval range of 3 to 4¾ per cent published at the 2022–23 March Budget.

a) Treasury uses a cumulative annualised growth rate (2 years) consistent with the real GDP methodology for 2025–26 Budget Statement 7. This differs from the 2025–26 annual real growth rate (one-year) of 2.4 per cent published on 2 September 2026 in the Australian National Accounts.

Assessment of performance achieved in 2025–26

Achieved means actual real GDP falls within the 70 per cent confidence interval of forecast real GDP. Not achieved means the actual real GDP did not fall within 70 per cent confidence interval of forecast real GDP.

Methodology

Assessment of the variance between forecasts and outcomes in each year for real GDP growth. Real GDP forecasts incorporate assumptions, that include exchange rates, interest rates, commodity prices and population growth. The confidence interval is a widely used metric that provides a guide to the degree of uncertainty around forecasts. The 70 per cent confidence interval means there is a 70 per cent chance that the outcome falls in this range. This assumes future forecast errors are consistent with the distribution of past forecast errors from 1998–99 onwards.

Data sources

Australian Bureau of Statistics Australian National Accounts: National Income, Expenditure and Product and Budget papers.[11]

11 Australian Bureau of Statistics Australian National Accounts: National Income, Expenditure and Product was released on 2 September 2026.

Source

PBS Program 1.1 – Economic Management, Corporate Plan 2025–26.

Analysis

The performance target has been achieved.

Treasury achieved the target of real GDP falling within the 70 per cent confidence interval of the forecast as published in the 2025–26 Budget.

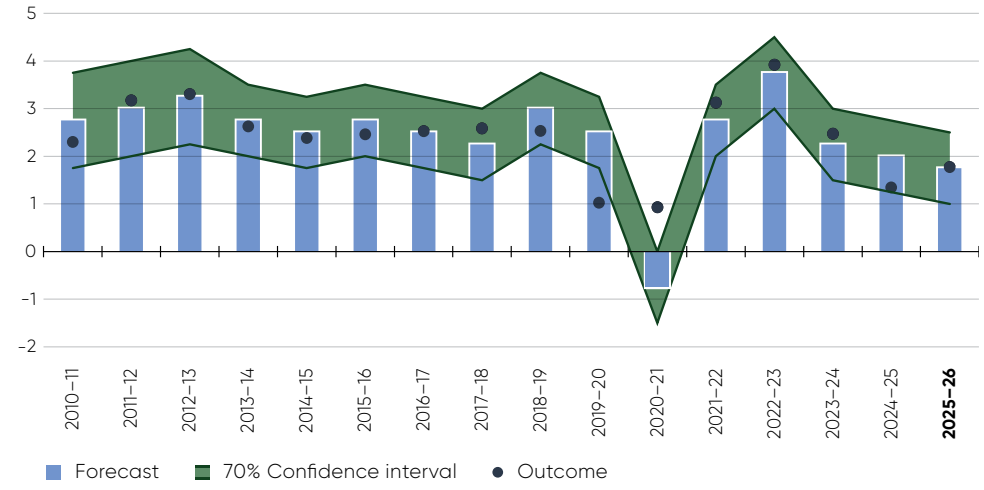
Real GDP forecasts incorporate several assumptions, including those regarding exchange rates, interest rates, commodity prices, and population growth.

Treasury made large forecast errors in 2019–20 and 2020–21. The forecast error in 2019–20 was due to the onset of the COVID-19 pandemic. The 2020–21 forecasting error illustrates how the economic recovery was significantly stronger than anticipated. After falling outside of the 70 per cent confidence interval range in 2019–20 and 2020–21 due to a range of macroeconomic shocks, forecasts in 2021–22, 2022–23, 2023–24, 2024–25 and 2025–26 have been more closely aligned with outcomes.

Since the 2025–26 Budget, the economy has experienced a sizeable external shock due to conflict in the Middle East. Despite this, the aggregate forecasts for real GDP have performed relatively well, though there have been some compositional differences between the outcomes and forecasts. Overall, Treasury's approach to forecasting has performed well over this period. Treasury regularly reviews the methodology and assumptions it uses for forecasts and will continue to update its approach as economic circumstances evolve.

Figure 5: Treasury real GDP forecasts – performance over time

Per cent



Source: ABS Australian National Accounts: National Income, Expenditure and Product, Treasury.

Note: Forecasts presented on the chart are from the relevant budget papers and reflect two-year cumulative annualised growth rates from the last full financial year of National Accounts data available at the time of forecast. Outcomes reflect latest available data. Confidence intervals have been calculated based on forecast errors from 1998–99 Budget onwards and the latest available Australian National Accounts data.

Confidence intervals were calculated based on forecast errors for the budget forecasts from 1998–99 onwards. The preliminary outcome for average annualised real GDP growth from 2023–24 to 2025–26 was within the 70 per cent confidence interval range as calculated at the time of the 2025–26 Budget and when confidence intervals were updated for the latest available data.

The confidence interval is a widely used metric that provides a guide to the degree of uncertainty around forecasts, assuming forecast errors are consistent with the distribution of past forecast errors. The choice of a 70 per cent confidence interval is consistent with the narrower of the 2 confidence intervals. The other confidence interval of 90 per cent is published in budget papers.

Performance measure 3

Variance between actual Total Tax Receipts (excluding Company Tax) and forecast.

Target 2025–26	Performance result 2025–26	Performance result 2024–25	Performance result 2023–24	Performance result 2022–23
Total Tax Receipts (excluding Company Tax) for 2025–26 falls within 70% confidence interval of forecast at the 2025–26 Budget.	**Achieved** Total Tax Receipts (excluding Company Tax) in 2025–26 were $554.9 billion, $23.1 billion above the 2025–26 Budget forecast of $531.8 billion. This variance falls inside the 70% confidence interval of the forecast ($508.1 billion to $555.5 billion).	**Achieved** Total Tax Receipts (excluding Company Tax) were $519.1 billion, $15.5 billion above the 2024–25 Budget forecast of $503.6 billion. This variance falls inside the 70% confidence interval of the forecast ($481.0 billion to $526.2 billion).	**Achieved** Total Tax Receipts (excluding Company Tax) were $492.2 billion, $4.6 billion above the 2023–24 Budget forecast of $487.6 billion. This variance falls inside the 70% confidence interval of the forecast ($465.2 billion to $509.9 billion).	**Not achieved** Total Tax Receipts (excluding Company Tax) were $450.2 billion, $31.8 billion above the 2022–23 Budget forecast of $418.5 billion. This variance falls outside of the 70% confidence interval of the forecast, exceeding the $437.0 billion upper bound by $13.2 billion.

Assessment of performance achieved in 2025–26

Achieved means the actual Total Tax Receipts falls within 70 per cent confidence interval of forecast Total Tax Receipts (excluding Company Tax). Not achieved means the actual Total Tax Receipts did not fall within 70 per cent confidence interval of forecast Total Tax Receipts (excluding Company Tax).

Methodology

Assessment of the variance between forecasts and outcomes in each year for actual Total Tax Receipts (excluding Company Tax). Tax receipts forecasts are generally prepared using a 'base plus growth' methodology. The last outcome for each head of revenue is the base to which growth rates are applied, using appropriate economic parameters. Estimates for the current year also incorporate recent trends in tax collections. The confidence interval is a widely used metric that provides a guide to the degree of uncertainty around forecasts and a basis for assessing forecasting performance. The 70 per cent confidence interval means there is a 70 per cent chance that the outcome falls in this range. This assumes future forecast errors are consistent with the distribution of past forecast errors from 1998–99 onwards.

Data sources

Australian Bureau of Statistics Australian National Accounts: National Income, Expenditure and Product, budget papers and Final Budget Outcome.

Source

PBS Program 1.1 – Economic Management, Corporate Plan 2025–26.

Analysis

The performance target has been achieved.

The 2025–26 variance of $23.1 billion in Total Tax Receipts (excluding Company Tax) is primarily the result of higher-than-expected tax receipts across several heads of revenue including gross other individuals, superannuation fund taxes, gross income tax withholding, and GST. These higher-than-expected outcomes were partly offset by lower-than-expected excise and customs duty, primarily reflecting lower-than-expected collections for tobacco excise equivalent duty.

Table 3 and Table 4 contain a summary of the performance measure for 2022–23, 2023–24, 2024–25 and 2025–26 Total Tax Receipts variance between outcome and forecast, excluding Company Tax (Table 3) and including Company Tax (Table 4).

Table 3: Total Tax Receipts variance between outcome and forecast, excluding Company Tax

	2022–23	2023–24	2024–25	2025–26
Final Budget Outcome ($b)	450.2	492.2	519.1	**554.9**
Budget forecast ($b)	418.5	487.6	503.6	**531.8**
Variance ($b)	31.8	4.6	15.5	**23.1**
70% confidence interval upper bound	437.0	509.9	526.2	**555.5**
70% confidence interval lower bound	399.9	465.2	481.0	**508.1**
Falls within 70% confidence interval	No	Yes	Yes	**Yes**

Table 4: Total Tax Receipts variance between outcome and forecast, including Company Tax

	2022–23	2023–24	2024–25	2025–26
Final Budget Outcome ($b)	601.3	633.4	657.8	**704.2**
Budget forecast ($b)	508.8	616.2	642.7	**672.2**
Variance ($b)	92.5	17.2	15.1	**32.0**
70% confidence interval upper bound	538.2	656.3	683.8	**714.5**
70% confidence interval lower bound	479.5	576.2	601.6	**629.9**
Falls within 70% confidence interval	No	Yes	Yes	**Yes**

Note: Treasury has made minor corrections to the figures reported in previous Annual Reports for 2022–23, 2023–24 and 2024–25. These changes do not affect the performance result for these years.

Total Tax Receipts is the sum of all cash receipts received by the government that are classified as taxes and reported in budgets and the Final Budget Outcome. Forecasts are adjusted for policy decisions and any tax reclassifications announced after the Budget which affect the reporting year. Forecasts of a single point estimate have a high probability of being incorrect. As a result, a confidence interval is used to establish an upper and lower bound to assess performance.

The confidence interval is a widely used metric that provides a guide to the degree of uncertainty around forecasts, assuming that forecast errors are consistent with the distribution of past forecast errors. The choice of a 70 per cent confidence interval is consistent with the narrower of the 2 confidence intervals published in budget papers (the other confidence interval being 90 per cent).

Company tax is excluded from the performance measure as it is significantly more sensitive to changes in the economy and can be substantially affected by highly volatile commodity prices. The Budget takes a prudent approach to commodity prices by using technical assumptions that assume short-term prices revert to conservative long-run price assumptions. If company tax was included, this single technical assumption has the potential to be a significant driver of both the confidence interval and performance measure result.

Intended result 1.3

Budgets, fiscal and economic updates are timely and comply with the Charter of Budget Honesty.

Performance measure 4

Delivered in line with the requirements of the *Charter of Budget Honesty Act 1998* (Charter).

Target 2025–26	Performance result 2025–26	Performance result 2024–25	Performance result 2023–24	Performance result 2022–23
100%	**Achieved** 100% All 3 deliverables were publicly released in line with the requirements and within the timeframes of the Charter.	**Achieved** 100% All 4 deliverables were publicly released in line with the requirements and within the timeframes of the Charter.	**Achieved** 100% All 4 deliverables were publicly releasedin line with the requirements and within the timeframes of the Charter.	**Achieved** 100% All 3 deliverables were publicly released in line with the requirements and within the timeframes of the Charter.

Assessment of performance achieved in 2025–26

Achieved means 100 per cent of deliverables were publicly released in line with the requirements and within the timeframes of the Charter. Not achieved means less than 100 per cent of deliverables required under the Charter are released within the timeframes.

Treasury's performance is assessed against the number of deliverables required under the Charter for the reporting period. The number of deliverables for the period will vary depending on the requirements of the Charter.

Methodology

Assessment against the requirements and timeframes for the public release of the deliverables set out in the Charter for the 2025–26 reporting period. The deliverables for performance reporting are the 2024–25 Final Budget Outcome, 2025–26 Mid-Year Economic and Fiscal Outlook, and 2026–27 Budget. Additional reporting may also be required if the conditions of Part 6 and Part 9 of the Charter are met, if the Treasurer releases an Intergenerational Report, or if a statement of Commonwealth stock and securities is required.

Data sources

The released documents for the Final Budget Outcome, Mid-Year Economic and Fiscal Outlook, and Budget, and if provided, the Intergenerational Report and additional statement of Commonwealth stock and securities.

Source

PBS Program 1.1 – Economic Management, Corporate Plan 2025–26.

Analysis

The performance target has been achieved.

Requirements and timeframes of the *Charter of Budget Honesty Act 1998* (Charter) have been met. Treasury used the timeliness measure as a proxy for efficiency.

In line with the Charter, Treasury worked with the Treasurer's office, Treasury ministers, and the Australian Public Service to prepare and publish the:

- 2024–25 Final Budget Outcome
- 2025–26 Mid-Year Economic and Fiscal Outlook (MYEFO)
- 2026–27 Budget.

The 2024–25 Final Budget Outcome report met the Charter requirement for the Treasurer to publicly release and table the report by 30 September 2025. The report was publicly released on 29 September 2025 and tabled in the House of Representatives on 7 October 2025 and the Senate on 27 October 2025 (the next available sitting period). The report met the relevant Charter content requirements for a Final Budget Outcome report to contain Commonwealth budget sector and Commonwealth general government sector fiscal outcomes for the financial year.

The 2025–26 MYEFO report met the Charter requirement for the Treasurer to publicly release and table the report by 31 January 2026, or within 6 months after the last budget (by 25 September 2025), whichever is later. The MYEFO report was publicly released on 17 December 2025 and tabled on 23 January 2026, with tabling occurring out of the sitting period. The report met the relevant Charter content requirements for a MYEFO report.

The 2026–27 Budget report met the Charter requirement for the Treasurer to publicly release and table a Budget report. The 2026–27 Budget was publicly released and tabled on 12 May 2026. The Budget met the relevant Charter content requirements for a Budget report.

No additional statement about Commonwealth stock and securities was required. The actual face value of Commonwealth stock and securities did not increase by $50 billion or more between the 2025 Pre-election Economic and Fiscal Outlook and the 2025–26 MYEFO or between the 2025–26 MYEFO and the 2026–27 Budget.

The Intergenerational Report was not required and was not requested by the Treasurer.

These deliverables are the outcome of Treasury's policy advice, analysis, forecasting, and consultation that are assessed through other performance measures and contribute to strong and sustainable economic and fiscal outcomes.

Key activity 2 – Treasury's implementation of policies and regulation supports Australia's economy and national interest

Intended result 2.1

Treasury's policy advice on markets and regulator issues assists the Australian economy to be competitive and key markets to be dynamic.

Performance measure 5

Australia maintains or improves its 2022 score on markets related inputs to the World Competitiveness Ranking produced by the Institute for Management Development.[12]

Target 2025–26	Performance result 2025–26	Performance result 2024–25	Performance result 2023–24	Performance result 2022–23
Competitiveness score of ≥105 Target based on the 2022 results for 15 criteria of the World Competitiveness Rankings.	**Substantially achieved** Australia's competitiveness score was 102.	**Partially achieved** Australia's competitiveness score was 98.	**Substantially achieved** Australia's competitiveness score was 102.	**Substantially achieved** Australia's competitiveness score was 100.

Assessment of performance achieved in 2025–26

Achieved is assessed as Australia maintains or increases a score of 105, substantially achieved is assessed as a score of 99 to 104, partially achieved is assessed as a score of 94 to 98, and not achieved is assessed as a score that falls below 94.

Methodology

The Institute for Management Development (IMD) produces a World Competitiveness Ranking based on a range of criteria. Fifteen of these criteria relate to the Treasury in the areas of policy responsibility for financial system, investment, retirement incomes, provisions of actuarial services, and corporations, competition, and consumer data and law. Other performance measures do not assess these policy areas. IMD calculates the average value for each economy for publication in the IMD World Competitiveness Yearbook each year. Treasury will use the results against the 15 criteria to construct a competitiveness score relevant to this performance measure as an indicator of Treasury's policy effectiveness.

Data sources

Institute for Management Development World Competitiveness Rankings Results 2026.

12 Institute for Management Development (IMD) World Competitiveness Ranking: IMD World Competitiveness Centre, Switzerland.

Source

PBS Program 1.3 – Support for Markets and Business, Corporate Plan 2025–26.

Analysis

The performance target has been substantially achieved.

This is the fourth year Treasury has assessed performance using this methodology and external data sourced from the World Competitiveness Ranking produced by the IMD on competitiveness. Treasury developed a target 'competitiveness score' of 105 based on the 2022 data using 15 criteria published by the IMD.

The 15 criteria represent areas of Treasury's policy responsibility for financial system, investment, retirement incomes, provision of actuarial services, and corporations, competition, and consumer data and law. The 15 criteria related to market performance are used as an indication of Treasury's policy outcomes. These areas of policy responsibility are not assessed through other Treasury performance measures.

The score is determined by a survey of business executives conducted independently by the Committee for Economic Development of Australia (CEDA) using the methodology set out by the IMD. Treasury aggregated the individual survey results against each of the 15 criteria for 2026 to determine the competitiveness score of 102.

The total competitiveness score reported this year has improved, returning to the same level achieved in 2023–24. The total score for 2025–26 is 102, a four-point increase compared to the prior year.

Treasury noted the main upward revisions in 2025–26 were to scores that drove the decline in 2024–25, in most cases returning to their 2023–24 level, including:

- Bureaucracy does not hinder business activity
- Credit is easily available for business
- Banking and financial services do support business activities efficiently
- Stock markets provide adequate financing to companies
- Corporate boards do supervise the management of companies effectively
- Cost of capital encourages business development
- Shareholders' rights are sufficiently implemented.

The main exception to this was 'Creation of firms is supported by legislation', which remained largely unchanged in 2025–26 after a significant decline in 2024–25.

While there were no significant (greater than 0.5 point) downward revisions to scores in 2025–26, Treasury noted declines of around 0.3 in respect of the following 2 scores (that had increased in 2024–25):

- Pension funding is adequately addressed for the future
- Regulatory compliance (banking laws) is sufficiently developed.

Taken together, these factors support taking a longer-term perspective of the evolution of the score.

Since 2021–22, the benchmark year when the overall score was 105, the only score to record a significant (greater than 0.5 point) increase was 'Corporate boards do supervise the management of companies effectively'. However, since 2021–22 there have been significant (greater than 0.5 point) downward revisions in respect of the following scores:

- Cost of capital encourages business development
- Creation of firms is supported by legislation
- Competition legislation is efficient in preventing unfair competition
- Legal and regulatory framework encourages the competitiveness of enterprises
- Capital markets (foreign and domestic) are easily accessible.

While the report does not cite specific proposals that led to the reduced scores, the organisation that conducted the survey (CEDA) stated 'These results confirm that Australian policymakers must focus on supporting economic growth, business resilience and productivity, while also containing inflation and reducing business costs, including the cost of regulatory and reporting burdens'.[13] This is consistent with other concerns from the business community around the cumulative impact of increased regulation.

Treasury continues to provide advice on a range of policy issues related to the functioning of markets including the financial system, corporate conduct, retirement incomes, consumer policy, competition policy, and investment. If agreed and implemented, resultant policies would be expected to increase scores on these and other measures in coming years.

It is important to clarify that highlighting external factors and Treasury's work is not intended to imply a direct causal relationship to the score.

13 https://www.ceda.com.au/research-and-policy/research/economy/imd-world-competitiveness-yearbook-2026

Intended result 2.2

Treasury's policy advice on prudential and financial market infrastructure issues contributes to the stability of Australia's financial system and provides confidence to consumers and investors, supporting economic growth.

Performance measure 6

No disorderly failures of institutions prudentially regulated in Australia.

Target 2025–26	Performance result 2025–26	Performance result 2024–25	Performance result 2023–24	Performance result 2022–23
No disorderly failures of prudentially regulated institutions.	**Achieved** No disorderly failures of prudentially regulated institutions.	**Achieved** No disorderly failures of prudentially regulated institutions.	**Achieved** No disorderly failures of prudentially regulated institutions.	**Achieved** No disorderly failures of prudentially regulated institutions.

Assessment of performance achieved in 2025–26

Achieved means no disorderly failures of prudentially regulated institutions and not achieved means at least one disorderly failure of a prudentially regulated institution.

Methodology

A disorderly failure of a prudentially regulated institution occurs when there is material disruption to the critical economic functions and services that the institution provides, and that this results in significant impacts on the financial system and the wider economy. Treasury will rely on regular bilateral engagement with the Australian Prudential Regulation Authority (APRA) to obtain information on prudentially regulated institutions that have failed or are at significant risk of failure.

Data sources

APRA data for the Money Protection Ratio and register of prudentially regulated entities at the beginning and end of the relevant reporting period.

Source

PBS Program 1.1 – Economic Management, Corporate Plan 2025–26.

Analysis

The performance target has been achieved.

There were no disorderly failures of prudentially regulated entities in Australia in the reporting period of 2025–26. There were 1,154 prudentially regulated institutions in Australia at the start of the reporting period. Treasury analysis revealed a net decrease of 124 regulated entities. Twelve new entities entered while 136 ceased over the reporting period. Of the 136 entities that ceased, 82 small super funds exited through member consent, 22 had a successor fund transfer, 18 had their license revoked,

11 underwent an Australian Taxation Office transfer, one was deregistered, and 2 had other methods of transfer. In addition to the entities that exited and entered, 9 existing entities changed their names over the reporting period.

Treasury determined that all exits between 1 July 2025 and 30 June 2026 were entity led and part of business-as-usual operations. That is, there were no losses due to prudential failures for depositors, policy holders, or superannuation members. There were 2 entity-led exits that involved intervention from APRA or government to prevent failure or loss. These exits were not disorderly.

Treasury maintains a close working relationship with APRA to ensure disorderly failures of institutions do not occur. Over the reporting period, Treasury closely monitored trends and economic activity in the financial system that could contribute to entity failures, including through meetings of the Council of Financial Regulators. If an entity failed, Treasury would support APRA to facilitate the orderly exit or resolution of the entity based on the specific circumstances. When relevant, Treasury would also engage with the Reserve Bank of Australia and Australian Securities and Investment Commission.

Intended result 2.3

Treasury's policy advice, research and support contributes to improved housing supply, availability and affordability, and ensures that Housing Australia's social and affordable housing programs meet government objectives.

Performance measure 7

Proportion of social and affordable dwellings that have become ready for tenants, compared to the contracted delivery schedule.

Target 2025–26	Performance result 2025–26	Performance result 2024–25	Performance result 2023–24	Performance result 2022–23
90%	**Partially achieved** 79% of social and affordable dwellings became ready for tenants.	This performance measure commenced in 2025–26.		

Assessment of performance achieved in 2025–26

Achieved is assessed as 90 per cent or more of social and affordable dwellings that have become ready for tenants, compared to the contracted delivery schedule, substantially achieved is assessed as 80 to 89 per cent, partially achieved is assessed as 60 to 79 per cent, and not achieved is assessed as below 60 per cent.

Methodology

Calculation of the number of dwellings that have become ready for tenants under the Housing Australia Future Fund (HAFF) and National Housing Accord Facility (NHAF) in the reporting period, compared to the expected dwelling completion dates set out in funding recipients' contracts.

Data sources

Data will be provided by Housing Australia to Treasury via a formal report to the Minister for Housing and Homelessness. This data is for dwellings that have become ready for tenants under the HAFF and NHAF, evidence of contracts signed, and independent audit reports.

Source

PBS Program 1.5 – Support for Housing Supply and Affordability.

Analysis

The performance target has been partially achieved.

There were 1,147 dwellings ready to tenant (at 'operational commencement') in the reporting period. The contracted delivery schedule for the year was adjusted to 1,443 dwellings based on bespoke data provided by Housing Australia due to contract variations executed after the original funding agreement was signed. This has resulted

in a performance result of 79 per cent. This reflects the timing of the program and the uneven nature of capital works project delivery, including time taken to reach financial close, planning approvals, and other due diligence.

As at 30 June 2026, more than 18,000 homes were committed for delivery under contracts through Round 1 and 2 of the HAFF. Round 3 opened on 30 January 2026 and will continue this momentum by delivering more than 21,000 homes. The contracted delivery schedule will be amended as projects are assessed, approved and contracted in Round 3.

Treasury's role is to oversight the legislated Housing Australia Future Fund, in partnership with the Department of Finance, and to support the legislated roles of the Minister for Housing. It does this through a range of formal and informal governance mechanisms; for example, a Memorandum of Understanding, and under agency- and program-specific funding agreements.

Treasury also supports Housing Australia to meet the government's delivery targets through policy advice, program governance, and oversight. Treasury develops policies and safeguards, in consultation with Housing Australia, to ensure intended outcomes can be met as well as regularly monitoring progress. Policy advice to Housing Australia is provided through various mechanisms including weekly official-level meetings. Strategic advice is provided via monthly Steering Committee meetings, a Statement of Expectations and Intent, and letters.

The formal quarterly report from Housing Australia to the Minister for Housing used for reporting purposes was not available. These results are based on the best available data provided by Housing Australia to Treasury.

Intended result 2.4

Treasury's delivery of the legislative program is in line with the government's priorities and within the required timeframes.

Performance measure 8

Proportion of legislative measures committed for delivery at the beginning of a parliamentary sitting period, adjusted for any government reprioritisation of legislative measures during the sitting period, and compared to the actual number delivered.

Target 2025–26	Performance result 2025–26	Performance result 2024–25	Performance result 2023–24	Performance result 2022–23
94%	**Achieved** An average of 95% of measures committed for delivery across the sitting periods were delivered.	**Achieved** An average of 97% of measures committed for delivery across the sitting periods were delivered.	**Achieved** An average of 97% of measures committed for delivery across the sitting periods were delivered.	**Achieved** An average of 98% of measures committed for delivery across the sitting periods were delivered.

Assessment of performance achieved in 2025–26

Achieved is assessed as an average of equal to or above 94 per cent of legislative measures delivered, substantially achieved is assessed as 89 to 93 per cent, partially achieved is assessed as 83 to 88 per cent, and not achieved is assessed as equal to or below 82 per cent.

Methodology

Calculation of the legislative measures committed for delivery, adjusted for reprioritisation, and compared with the legislative measures actually delivered. Treasury manages and delivers legislative measures during Parliamentary sitting periods. Accordingly, Treasury assesses performance based on the sequence of Winter and Spring Parliamentary sitting periods in one calendar year and Autumn Parliamentary sitting period in the following calendar year. This provides the best alignment with the performance reporting period. To provide a more accurate synopsis of Treasury's delivery of the government's legislative agenda we have excluded routine, annual or minor and technical legislative measures from the performance measure. Treasury assesses performance against the delivery of legislative measures that implement priority policies as announced by government.

Data sources

Treasury's legislative program provides a record of the government's current legislative priorities in the Treasury portfolio, which Treasury track through a records management database. The Bills and Legislation page on the Parliament of Australia website is a second data source confirming date of introduction and passage of primary legislation. The Federal Register of Legislation also provides a second data source confirming the date of instrument registration.

Source

Program 1.1 – Economic Management, Corporate Plan 2025–26.

Analysis

The performance target has been achieved.

In 2025–26 Treasury delivered 95 per cent of legislative measures committed for delivery during the reporting period. This included the delivery of 76 legislative measures. This does not account for all the Treasury legislative program, as not all measures are used to assess performance, such as administrative measures.

Treasury continues to liaise with the portfolio ministers' offices to ensure alignment of Treasury's legislation program with the government's priorities. Treasury continues to undertake formalised reprioritisation and regular briefing processes. This ensures the Treasurer and other portfolio ministers agree to the legislation program prior to a sitting period commencing, but also during a sitting period to agree to the reprioritisation of measures.

During the reporting period Treasury reprioritised 24 legislative measures to include them in the program in response to government priorities. These included changes to fuel excise to support cost of living pressures, boosting the low-income superannuation tax offset, expansion of the Home Guarantee Scheme program, and measures to address supermarket price gouging.

Treasury managed these changes to the legislation program by reprioritising 30 legislative measures to later sitting periods, as agreed by the Treasurer and portfolio ministers.

This year has been particularly dynamic for Treasury's legislation program. The announcement of the Federal Election on 28 March 2025 and subsequent caretaker period meant bills in Parliament and planned bills for upcoming sitting periods were largely placed on hold until an incoming government was announced.

Due to the timing of the Federal Election, a typical Winter parliamentary sitting period did not occur in 2025. A short period between 1 May and 30 June 2025, which would ordinarily have fallen in the 2025 Winter sitting period, was used to progress several machinery, routine, and time-critical subordinate legislative measures. Parliamentary sitting days did not occur during this time due to the caretaker period and election, and no primary legislation was progressed.

A revised sitting calendar was released when the incoming government was announced, and Treasury undertook its usual prioritisation process. The 2025 Winter list of measures was incorporated into the ministerial submission to establish the post-election legislative program baseline.

Treasury will not continue reporting this performance measure in 2026–27 and the forward years.

Intended result 2.5

Treasury's regulatory functions:

- Treasury administers Australia's foreign investment framework consistent with Australia's national and economic interests
- Treasury administers the Payment Times Reporting Scheme to improve payment practices and foster a prompt payment culture to support economic growth and outcomes for small business suppliers.

Performance measure 9

Proportion of stakeholders that report a high level of satisfaction regarding:

- the clarity, transparency, and consistent application of Treasury's regulatory frameworks (Regulator Performance (RMG 128) Principle 1)
- risk based, data driven decision-making (RMG 128 Principle 2)
- Treasury's responsive communication and collaboration (RMG 128 Principle 3).

Target 2025–26	Performance result 2025–26	Performance result 2024–25	Performance result 2023–24	Performance result 2022–23
Foreign Investment Framework: 65%	**Achieved** 65% of survey respondents provided a rating of agree or strongly agree to the survey questions.	**Partially achieved** 58% of survey respondents provided a rating of agree or strongly agree to the survey questions.	**Partially achieved** 57% of survey respondents provided a rating of agree or strongly agree to the survey questions.	**Indicative result** 67% of survey respondents provided a rating of agree or strongly agree to the survey questions. [b]
Payment Times Reporting Scheme: 65%	Treasury is unable to report that the target was substantially achieved as the response rate did not meet the 20% threshold required for performance reporting. [a]	**Partially achieved** 55% of survey respondents provided a rating of agree or strongly agree to the survey questions.	**Substantially achieved** 61% of survey respondents provided a rating of agree or strongly agree to the survey questions.	**Partially achieved** 57% of survey respondents provided a rating of agree or strongly agree to the survey questions.

a) Treasury has established a response rate of 20 per cent for survey results to be valid. There was a response rate of 18 per cent for this regulator making the result invalid for performance reporting.

b) There was a response rate of 13 per cent for this regulator making the result invalid for performance reporting.

Assessment of performance achieved in 2025–26

The performance result was calculated as an average of the percentage of survey respondents who provided ratings of 4 (agree) or 5 (strongly agree) on a 5-point scale for applicable question items.

Achieved is assessed as equal to or above 65 per cent of survey respondents provided ratings of 4 (agree) or 5 (strongly agree), substantially achieved is assessed as 60 to 64 per cent, partially achieved is assessed as 55 to 59 per cent, and not achieved is assessed as below 55 per cent.

Methodology

Independent surveys conducted by a third-party provider with foreign investment framework and Payment Times Reporting Scheme stakeholders. Stakeholder selection and questions that align with the Regulator Performance Principles will be governed by transparent stakeholder selection rules. Treasury will report separately on its regulatory functions for the foreign investment framework and Payment Times Reporting Scheme.

Data sources

Responses to the annual stakeholder survey and stakeholder lists.

Source

PBS Program 1.1 – Economic Management and Program 1.3 – Support for Markets and Business, Corporate Plan 2025–26.

Analysis

Treasury used structured key stakeholder surveys to measure the department's administration of regulator functions. Treasury engaged an external provider to develop, conduct, and report on the regulator surveys. Separate surveys were conducted for each of Treasury's regulators. The survey questions were specific to each regulator and were designed to address the 3 best practice principles of the Regulator Performance Resource Management Guide (RMG) 128:[14]

1. Continuous improvement and building trust
2. Risk-based and data driven
3. Collaboration and engagement

Treasury's regulators are reported separately within this analysis. Senior executives will discuss the feedback, and the results will be used to improve performance.

Foreign Investment Framework

The performance target has been achieved.

A total of 47 stakeholders of the Foreign Investment Framework completed the survey. The stakeholder survey for the Foreign Investment Framework received a 21 per cent response rate and a performance result of 65 per cent.[15] This result is an improvement from 2024–25 (58 per cent).

14 www.finance.gov.au/government/managing-commonwealth-resources/regulator-performance-rmg-128

15 A response rate of 20 per cent was established as a valid response for the survey.

In 2025–26 the regulator survey questions were partially refreshed to align with the 3 updated regulator best practice principles under the Department of Finance Resource Management Guide No. 128: Regulator Performance (RMG 128). This included the addition of 3 new questions. Results for 2025–26 remain comparable to results from previous years.

In the 2026–27 Budget, the government announced reforms to further streamline and strengthen Australia's Foreign Investment Framework. These reforms were informed by consultation in late 2025 across a wide range of stakeholders who engage regularly with the Foreign Investment Framework. The reforms will ensure Australia's regulatory settings are well-calibrated to streamline low-risk investment, while providing stronger, more flexible tools to identify, manage, and respond to high-risk investment, serious non-compliance, and avoidance.

Since implementation of the reforms in May 2025, Treasury has adopted a continuous improvement approach to its digital service delivery capabilities. Three systems releases were delivered in 2025–26 to enhance functionality, strengthen regulatory capability, and drive further efficiencies.

Performance against the best practice principles

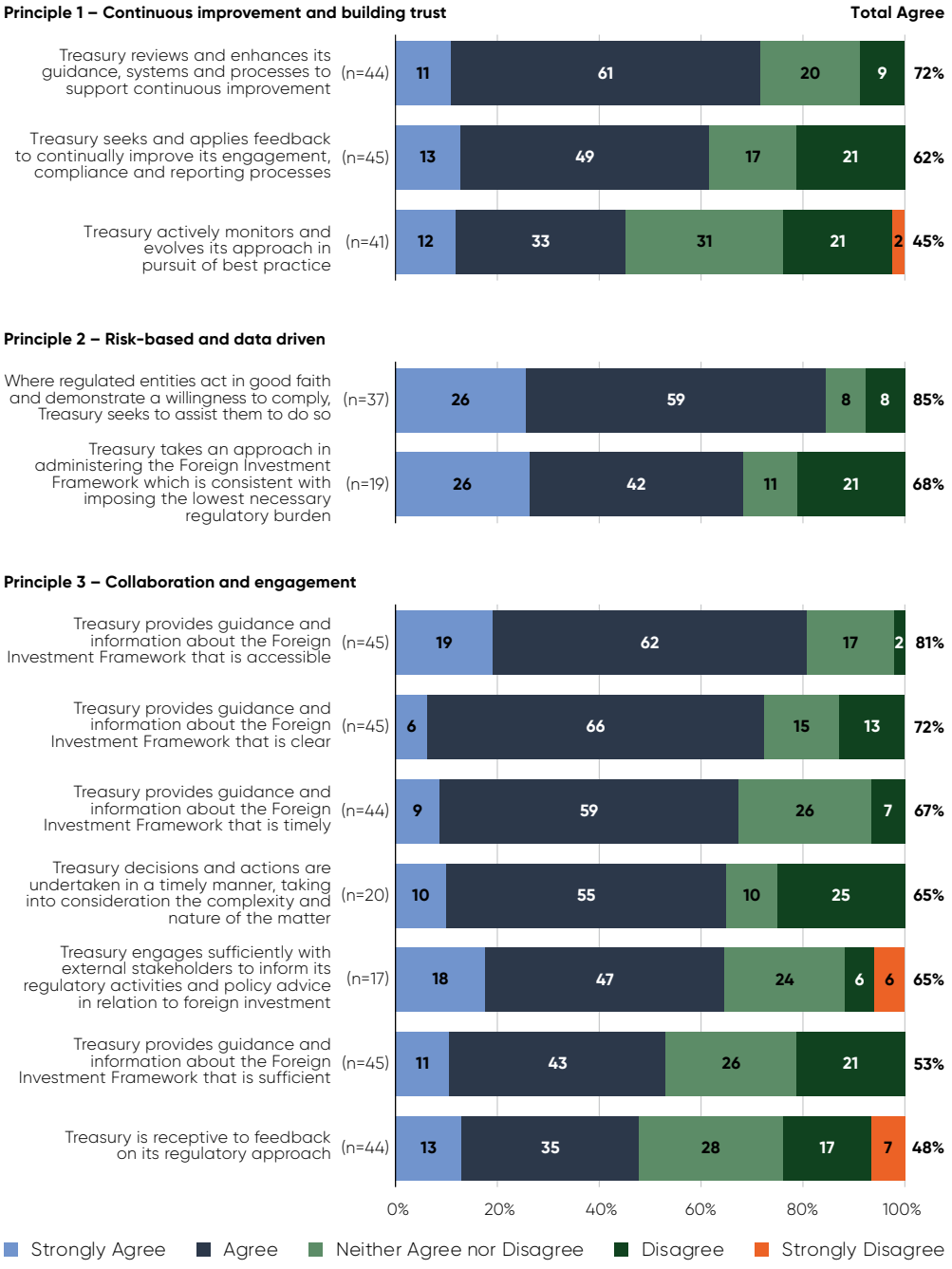
The survey responses have been used to assess Treasury's performance against the 3 principles of best practice regulation set out in Department of Finance guidance.

Survey responses were most positive for Treasury's risk-based and data driven decision-making for Principle 2. Most stakeholders (85 per cent) agreed Treasury seeks to assist regulated entities that act in good faith and demonstrate a willingness to comply. Over two-thirds (68 per cent) of stakeholders agreed that Treasury's approach to administering the Foreign Investment Framework is consistent with imposing the least possible burden on the regulated.

There was a broad range of responses (48 to 81 per cent) in relation to Principle 3 for Treasury's collaboration and engagement. Stakeholders were most positive about accessibility of the guidance and information about the Foreign Investment Framework (81 per cent). Stakeholders responded positively that Treasury's guidance and information was clear (72 per cent) and timely (67 per cent). Stakeholders agreed (65 per cent) that Treasury's decisions and actions were undertaken in timely manner, taking into consideration the complexity and nature of the matter, and that Treasury engages sufficiently with external stakeholders to inform its regulatory activities and policy advice in relation to foreign investment (65 per cent agreed). Over half of the stakeholders felt Treasury's guidance and information was sufficient (53 per cent) and fewer than half of stakeholders (48 per cent) agreed Treasury is receptive to feedback on its regulatory approach.

Treasury's performance under Principle 1 for continuous improvement and building trust was mixed. Stakeholders agreed that Treasury reviews and enhances its guidance, systems, and processes to support continuous improvement (72 per cent). Stakeholders agreed (62 per cent) that Treasury seeks and applies feedback to continually improve its engagement, compliance, and reporting processes. Stakeholders were less positive about Treasury actively monitoring and evolving its approach in pursuit of best practice (45 per cent).

Figure 6: Treasury's performance – alignment of the Foreign Investment Framework results with the best practice principles



Base: All key stakeholders of the Foreign Investment Framework, weighted results[16]

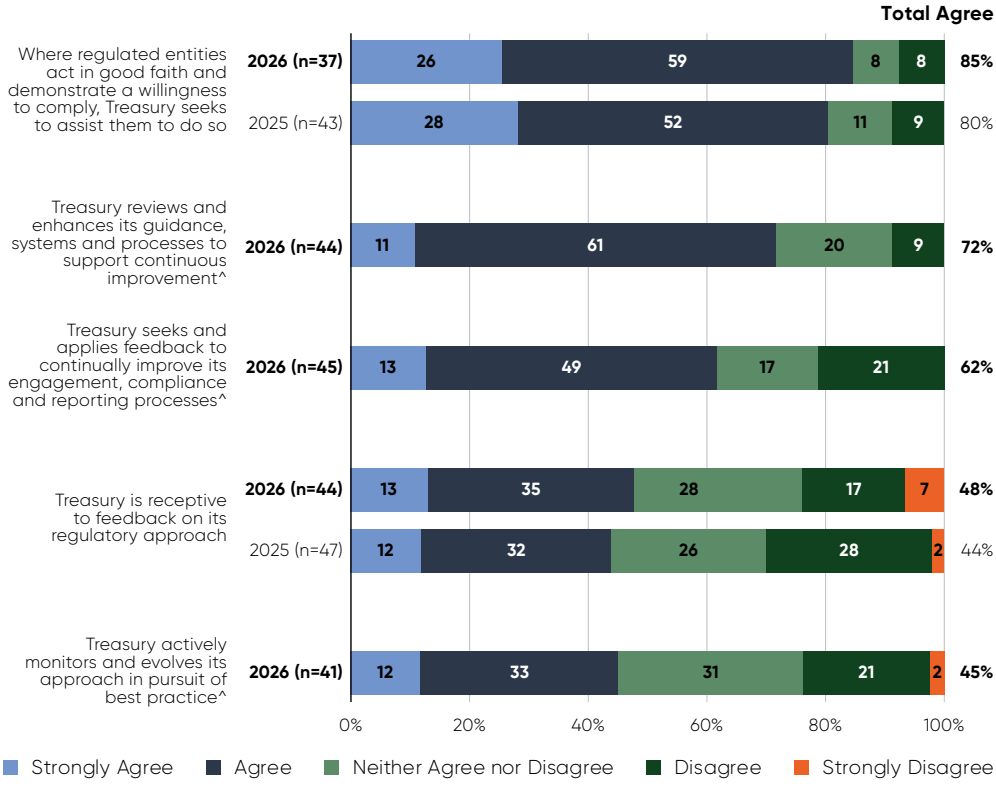
16 Respondents with Treasury client managers were given twice the weighting of other stakeholders due to the greater intensity and frequency of their engagement with Treasury.

Overview of survey results

Most stakeholders of the Foreign Investment Framework agreed that Treasury seeks to assist regulated entities where they act in good faith and demonstrate a willingness to comply (85 per cent, an increase from 80 per cent in 2024–25). Responses to the questions introduced in 2025–26 were mostly positive. Stakeholders agreed (72 per cent) that Treasury reviews and enhances its guidance, systems, and processes to support continuous improvement and that Treasury seeks and applies feedback to continually improve its engagement, compliance, and reporting processes (62 per cent).

Stakeholders were less positive about Treasury being receptive to feedback on its regulatory approach (48 per cent, slightly up from 44 per cent 2024–25) and that Treasury actively monitors and evolves its approach in pursuit of best practice (45 per cent).

Figure 7: Treasury's performance – all key stakeholders of the Foreign Investment Framework, comparison 2025 and 2026

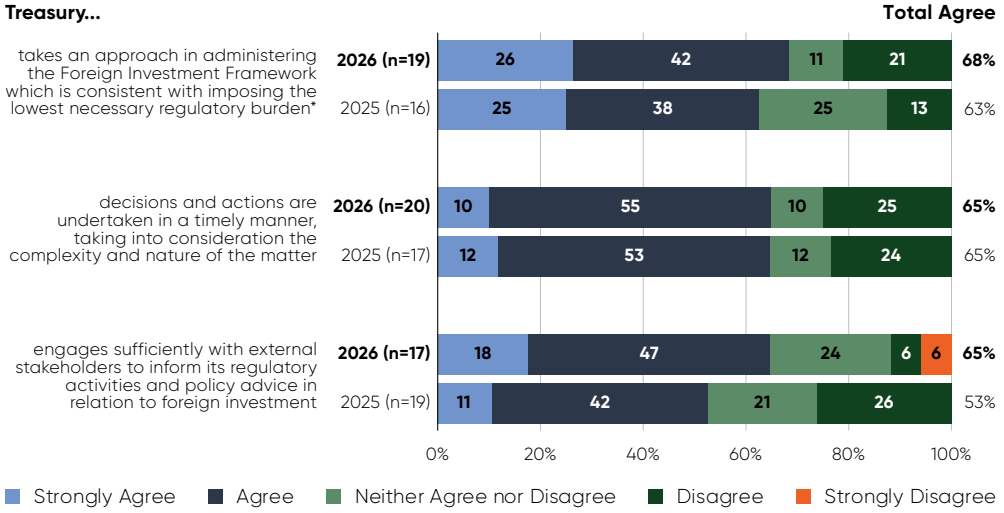


^New questions in 2026

Base: All key stakeholders of the Foreign Investment Framework, weighted results

Most stakeholders, excluding investors and representatives from regulated entities, agreed that Treasury's approach to administering the Foreign Investment Framework is consistent with imposing the least possible burden on the regulated (68 per cent, an increase from 63 per cent in 2024–25).[17] Stakeholders agreed (65 per cent, unchanged from 2024–25) that Treasury decisions and actions are undertaken in a timely manner, taking into consideration the complexity and nature of the matter. The most sizeable improvement was in perceptions that Treasury engages sufficiently with external stakeholders to inform its regulatory activities and policy advice in relation to foreign investment (65 per cent, up from 53 per cent in 2024–25).

Figure 8: Treasury's performance – stakeholders of the Foreign Investment Framework other than investors and/or representatives of regulated entities, comparison 2025 and 2026



* 2025 question wording: Treasury takes an approach in administering the Foreign Investment (2023: Review) Framework which is consistent with imposing the least possible regulatory burden on those that are regulated.

Base: Key stakeholders of the Foreign Investment Framework other than representatives/ senior executives of regulated entities/ investors, weighted results

Stakeholder perceptions of Treasury's guidance and information about the Foreign Investment Framework improved across all 4 aspects compared with 2024–25. Stakeholders were most positive about its accessibility (81 per cent, an increase from 73 per cent), followed by clarity (72 per cent, an increase from 55 per cent) and timeliness (67 per cent, an increase from 47 per cent). Although the sufficiency of Treasury's guidance and information remained the lowest-rated aspect, responses improved from 34 per cent in 2024–25 to 53 per cent in 2025–26.

17 Stakeholders other than investors and representatives from regulated entities include members of the Law Council's Foreign Investment Committee, active members of the Foreign Investment Review Board, senior officers from Australian Government entities and senior executives from other organisations.

Foreign Investment Framework stakeholders for 2025–26 included:

- investors and/or agents of regulated entities
- investors and/or agents of regulated entities who have a Treasury client manager
- members of the Law Council's Foreign Investment Committee
- non-executive members of the Foreign Investment Review Board
- senior officers (Executive Level 2 and above) from Australian Government entities and senior senior executives from other organisations.

Payment Times Reporting Scheme

Treasury is unable to report on this performance target. Treasury has established a response rate of 20 per cent for survey results to be valid. The stakeholder survey for the Payment Times Reporting Scheme (the scheme) received an 18 per cent response rate making the survey result invalid for assessing performance.

A total of 136 scheme stakeholders completed the survey (down from 185 in 2024–25).[18] There were 758 stakeholders invited to participate in the survey in 2025–26 compared with 888 in 2024–25. This has provided an indicative performance result of 62 per cent, an improvement from 55 per cent in 2024–25. If there was a valid survey response the target of 65 per cent would be substantially achieved.

In 2025–26 the regulator survey questions were partially refreshed to align with the 3 updated regulator best practice principles under the Department of Finance Resource Management Guide No. 128: Regulator Performance (RMG 128).[19] This included the addition of 3 new questions. Results for 2025–26 remain comparable to results from previous years.

During 2025–26, the regulator continued to implement scheme reforms in response to the 2023 Statutory Review of the *Payment Times Reporting Act 2020*, finalising its ICT infrastructure upgrade and enhancing public-facing systems. This included launching a new Payment Times Reporting Portal in February 2026, ahead of reports being due for the six-month period from 1 July 2025 to 31 December 2025. New guidance, webinars, and a demonstration video supported the launch and remain available on the paymenttimes.gov.au website. Continuous enhancements to the interactive Payment Times Reports Register have increased transparency of large businesses' payment practices, including the release of the Fast Small Business Payer list, with data insights provided through the regulator's updates.

18 Payment Times Reporting Scheme stakeholders for this survey are senior management from regulated entities, industry bodies, professional advisers and senior officers from Australian Government entities.

19 www.finance.gov.au/government/managing-commonwealth-resources/regulator-performance-rmg-128

In addition to educating and guiding entities on their reporting requirements, the regulator adjusted its posture for 2025–26, moving beyond education to escalating its approach to non-compliance through proportionate responses. The regulator announced its first compliance and enforcement priorities in July 2025 and released a compliance update in April 2026, with notices of non-compliance and paid infringement notices published to the Payment Times Reports Register. Paid infringement notices were also published at paymenttimes.gov.au/compliance-and-enforcement/enforcement-actions.

Stakeholder engagement remained a key focus with webinars and forums providing opportunities to hear from the regulator and ask questions. Engagement at the stakeholder liaison forums remained high. On average, attendance increased over 130 per cent and the number of organisations represented increased over 180 per cent compared with 2024–25.

Performance against the best practice principles

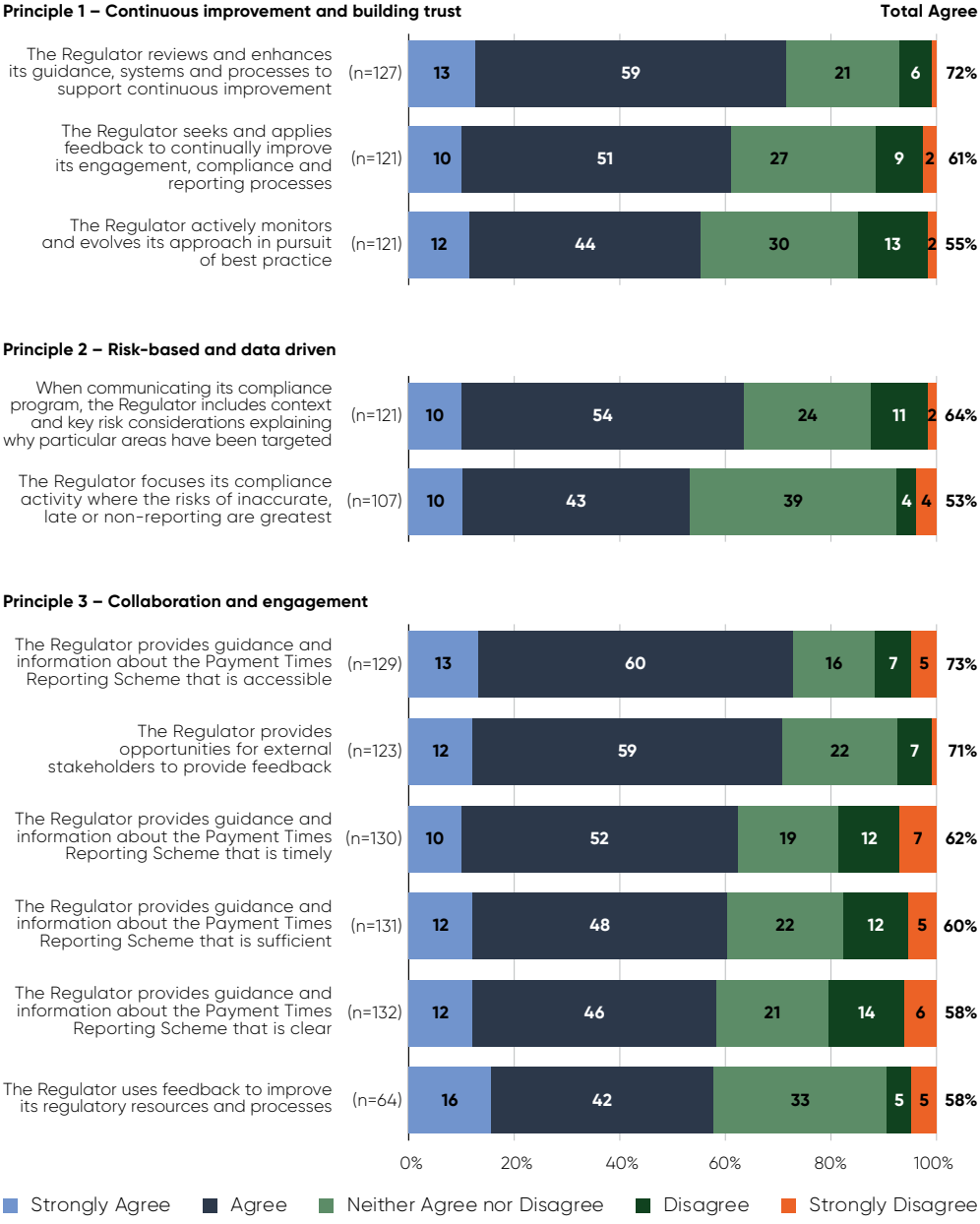
The survey responses were used to assess the regulator's performance against the 3 principles of best practice regulation set out in Department of Finance guidance. While several questions were updated in 2025–26, comparable results generally suggest more favourable stakeholder perceptions than in 2024–25.

Stakeholder responses were most positive in relation to Principle 3, with 58 to 73 per cent of stakeholders favourable about Treasury's collaboration and engagement. The strongest results related to the accessibility of Treasury's guidance and information about the scheme (73 per cent) and opportunities for external stakeholders to provide feedback (71 per cent). Most stakeholders also agreed that the regulator provided guidance and information about the scheme that is timely (62 per cent), sufficient (60 per cent), and clear (58 per cent), and uses feedback to improve its regulatory resources and processes (58 per cent).

Perceptions of the regulator's continuous improvement and building trust for Principle 1 were moderately positive overall. Most stakeholders agreed that the regulator reviews and enhances its guidance, systems, and processes to support continuous improvement (72 per cent). However, they were less likely to agree that the regulator seeks and applies feedback to continually improve its engagement, compliance and reporting processes (61 per cent), and actively monitors and evolves its approach in pursuit of best practice (55 per cent).

Ratings were lower for risk-based and data driven decision-making under Principle 2. Under two-thirds of stakeholders (64 per cent) agreed that when communicating its compliance program, the regulator includes context and key risk considerations explaining why particular areas have been targeted. Half of the stakeholders (53 per cent) agreed that the regulator focuses its compliance activity where the risks of inaccurate, late, or non-reporting are greatest.

Figure 9: The regulator's performance – alignment of the Payment Times Reporting Scheme results with the best practice principles



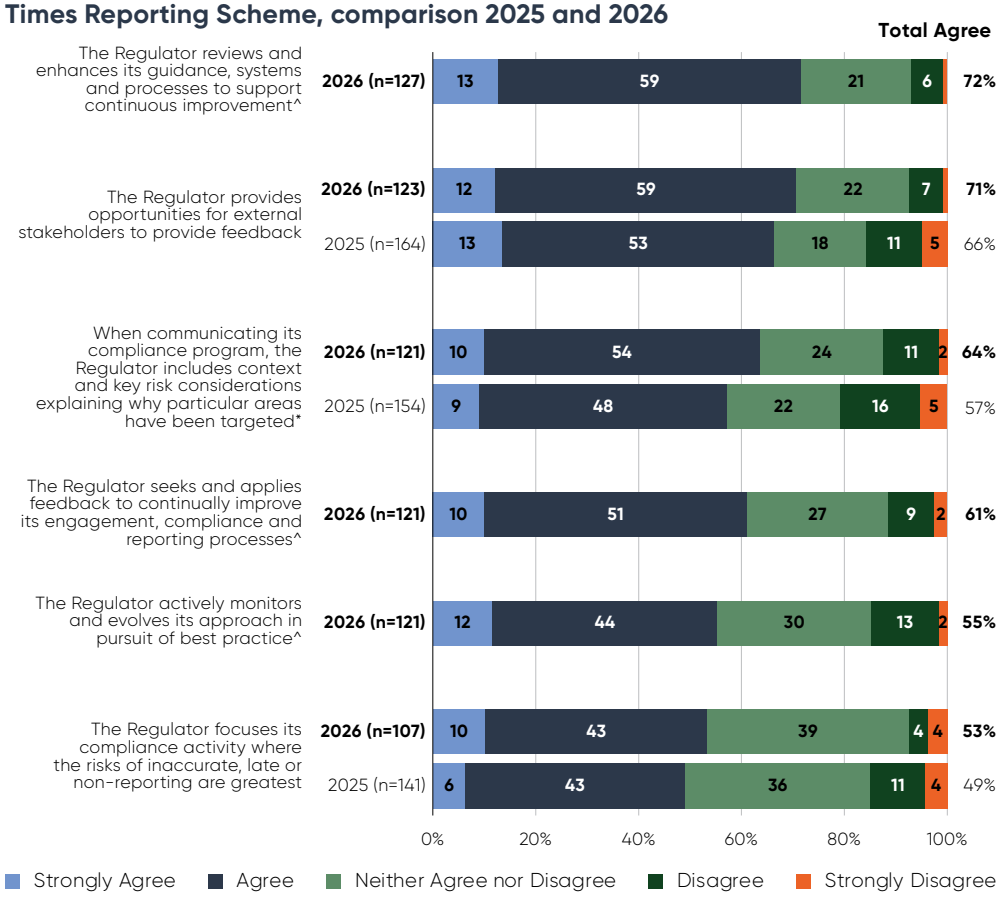
Base: Key stakeholders of the Payment Times Reporting Scheme

Overview of survey results

Stakeholder ratings for the scheme were mixed. Stakeholders were most positive about the regulator reviewing and enhancing its guidance and processes to support continuous improvement (72 per cent), providing opportunities for external stakeholders to provide feedback (71 per cent, up moderately from 66 per cent in 2024–25), and including context and key risk considerations when communicating its compliance program (64 per cent, up from 57 per cent). Most stakeholders also agreed that the regulator seeks and applies feedback to continually improve its engagement, compliance, and reporting processes (61 per cent).

Stakeholders were less positive about the regulator actively monitoring and evolving its approach in pursuit of best practice (55 per cent) and focusing its compliance activity where the risks of inaccurate, late, or non-reporting are greatest (53 per cent, up slightly from 49 per cent in 2024–25).

Figure 10: The regulator's performance – all stakeholders of the Payment Times Reporting Scheme, comparison 2025 and 2026



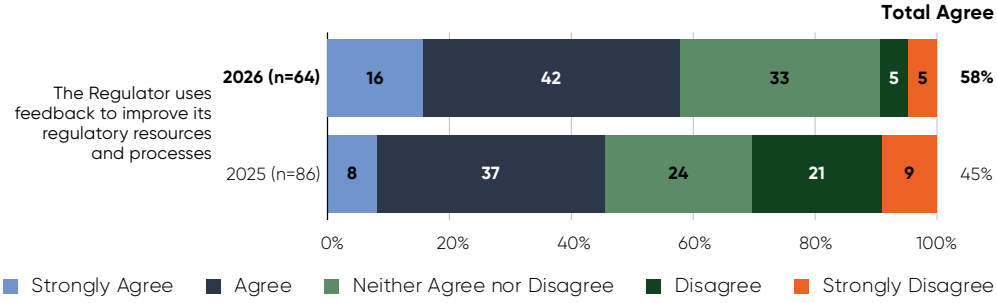
* 2025 wording question wording: When communicating its compliance program, the regulator includes context and supporting information on why those areas have been targeted.

^ New questions in 2026.

Base: All key stakeholders of the Payment Times Reporting Scheme

Among stakeholders who participated in the regulator's liaison forums, stakeholder engagements, or consultations between 1 April 2025 and 31 March 2026, more than half (58 per cent, up from 45 per cent in 2024–25) agreed that the regulator uses feedback to improve its regulatory resources and processes.

Figure 11: The regulator's performance – stakeholder liaison forums, stakeholder engagement or consultations – Payment Times Reporting Scheme



Base: Key stakeholders of the Payment Times Reporting Scheme who participated in the regulator's stakeholder liaison forums, stakeholder engagement or consultations

Stakeholders were most positive about the accessibility of Treasury's guidance and information about the scheme (73 per cent), which was an improvement from 2024–25 (66 per cent). Assessments of the guidance being timely (62 per cent, up substantially from 42 per cent in 2024–25), sufficient (60 per cent, up from 44 per cent) and clear (58 per cent, up moderately from 46 per cent) also improved. While accessibility remained the highest rated aspect, timeliness, sufficiency, and clarity showed the largest improvements compared with 2024–25.

Stakeholders were senior management from regulated entities, industry bodies, professional advisers identified on the regulator's stakeholder liaison list, and senior officers from Australian Government entities.

Performance measure 10

Proportion of regulated entities that complied with their obligation to report under the *Payment Times Reporting Act 2020*.

Target 2025–26	Performance result 2025–26	Performance result 2024–25	Performance result 2023–24	Performance result 2022–23
85%	**Not achieved** 62% of payment times regulated entities complied with their obligations.	This performance measure commenced in 2025–26.		

Assessment of performance achieved 2025–26

Achieved is assessed as equal to or above 85 per cent of regulated entities complied with their reporting obligations, substantially achieved is assessed as 80 to 84 per cent, partially achieved is assessed as 75 to 79 per cent, and not achieved is assessed as below 75 per cent.

Methodology

This performance measure assesses the proportion of regulated entities that comply with their obligation to report under the Act, expressed as a percentage of all entities required to be registered to report under the Payment Times Reporting Scheme during the reporting period.

Data sources

Data from the Payment Times Reports Register, the Payment Times Reporting Regulator's IT system, the Australian Taxation Office, and commercial data sources.

Source

PBS Program 1.3 – Support for Markets and Business, Corporate Plan 2025–26.

Analysis

The performance target has not been achieved.

In 2025–26, 62 per cent of payment times regulated entities complied with their reporting obligations.

This is the first full year assessed since significant reforms to the Payment Times Reporting Scheme were introduced in 2024. Reforms changed the definition of a reporting entity and introduced consolidated reporting. Under the reformed scheme, entities have reporting obligations only if they meet specific criteria, including consolidated revenue above $100 million (as determined under Australian Accounting Standards Board guidelines) and being a constitutionally covered entity.

Examples of actions taken to increase compliance by 30 June 2026 include:

- Contacting 191 entities that had failed to submit a subsequent report despite having an obligation to do so. Following this engagement, 89 entities submitted the outstanding report.
- Engaging with more than 1,000 entities that may have had reporting obligations but had not submitted a report. This resulted in more than 400 entities reporting under the reformed scheme for the first time and identified a number of incorrect submissions within consolidated groups.
- Removing 409 reports from the register where entities were not required to report under the Act, including:
  - entities that were not the head of a corporate group and therefore did not have reporting obligations under the consolidated reporting model. Where applicable, the relevant head entity subsequently submitted the correct report; and
  - entities that did not meet the revenue threshold for reporting under the Act.

These activities improved compliance with the Act and enhanced the accuracy of the register by ensuring it more accurately reflects entities with reporting obligations under the scheme.

This performance measure assesses the regulator's effective administration of the scheme by measuring whether reporting entities are meeting their obligations to report under section 12 of the *Payment Times Reporting Act 2020* (the Act) only. This section of the Act establishes the obligation for a reporting entity to give the regulator a report for each reporting period. Reporting for this measure does not address requirements related to timeframes associated with reporting (section 13) which are monitored and addressed separately through the Regulator's compliance and enforcement framework.[20]

This performance measure is based on an estimate of the reporting population derived from a range of internal and external data sources. During the reporting period, Treasury refined the methodology used to identify entities with reporting obligations by removing modelled data and enhancing data matching processes. These improvements have increased confidence in the accuracy of the estimated reporting population, and Treasury is satisfied that the resulting data provides a reasonable and reliable basis for assessing performance against this measure.

Performance measure 11

Proportion of commercial foreign investment proposals decided within the target 30-day decision period.

Target 2025–26	Performance result 2025–26	Performance result 2024–25	Performance result 2023–24	Performance result 2022–23
50%	**Partially achieved** 44% of commercial investment proposals were decided within 30 days.	This performance measure commenced in 2025–26.		

Assessment of performance achieved 2025–26

Achieved is assessed as equal to or above 50 per cent of included proposals were processed within the 30-day statutory decision period, substantially achieved is assessed as equal to or above 45 per cent to below 50 per cent, partially achieved is assessed as equal to or above 35 per cent to below 45 per cent, and not achieved is assessed as below 35 per cent.

Methodology

The number of commercial foreign investment proposals processed within the 30-day target period assessed as a percentage of the total number of processed foreign investment proposals in the reporting period. The processing times of each included

20 https://paymenttimes.gov.au/compliance-and-enforcement

proposal will be used to calculate the percentage of proposals processed within 30 days. The 30-day period refers to the initial length of the statutory decision period that commences after notice is given for those types of investment proposals which have a decision period. Proposals which are variations, retrospective, or notifiable action-only do not meet performance assessment criteria and are not included in this assessment.

Data sources

Data reposited in the case processing system used to process commercial foreign investment proposals.

Source

PBS Program 1.1 – Economic Management, Corporate Plan 2025–26.

Analysis

The performance target has been partially achieved.

In 2025–26, Treasury finalised 44 per cent of foreign investment proposals within 30 days. Performance improved progressively across the year, with the proportion of proposals finalised within 30 days increasing from 39.6 per cent in the first quarter to 48.3 per cent in the fourth quarter.

Influencing performance during the year was Treasury's completion of its digital transformation program, including the launch of the new FIAT case management systems and the Foreign Investment Portal on 28 May 2025. While these transitions initially contributed to longer processing times as staff adapted to new systems and workflows, performance improved as users became more familiar with the platform and system enhancements addressed identified issues.

Proposals that exceeded 30 days were due to application complexities, the need for additional information from investors, extended response times from consult partners, and resource pressures including higher caseloads. In the early stages of implementation, some investors experienced difficulties with the new application portal, including incorrect or incomplete data entry, requiring follow-ups and contributing to delays.

Treasury undertook a range of activities to improve performance, including ongoing system enhancements, user support and training, and closer monitoring of processing timeliness. These measures contributed to steady improvements throughout the year, particularly in reducing the proportion of proposals finalised between 31 and 60 days (from 32.8 per cent in quarter 1 to 22.9 per cent in quarter 4).

Treasury will continue to identify opportunities to improve processing efficiency and support timely decision-making on proposals. Factors contributing to higher processing times (for example, greater than 30 days) include concurrent operation of the old and new systems, IT issues, incorrect data entry by investors, extended response times from consult partners and partner agencies, and Treasury resourcing.

Key activity 3 – Treasury's external engagements enable implementation of the government's economic and fiscal agenda

Intended result 3.1

Relationships with Treasury ministers, Treasury portfolio agencies and regulators, and key stakeholders enable implementation of the government's agenda.

Performance measure 12

Proportion of Treasury ministers, Treasury portfolio agencies and regulators, and key stakeholders that highly rate working with the Treasury.[21]

Target 2025–26	Performance result 2025–26	Performance result 2024–25	Performance result 2023–24	Performance result 2022–23
Ministerial feedback questionnaire: 87%	**Achieved** 100% of Treasury ministers or their representative provided a rating of good or very good to the questions.	**Achieved** 100% of Treasury ministers or their representative provided a rating of good or very good to the questions.	**Achieved** 100% of Treasury ministers or their representative provided a rating of good or very good to the questions.	**Achieved** 100% of Treasury ministers or their representative provided a rating of good or very good to the questions.
Stakeholder survey: 80%	**Substantially achieved** 77% of survey respondents provided a rating of agree or strongly agree to the questions.	**Achieved** 81% of survey respondents provided a rating of agree or strongly agree to the questions.	**Achieved** 77% of survey respondents provided a rating of agree or strongly agree to the questions.	**Achieved** 75% of survey respondents provided a rating of agree or strongly agree to the questions.

Assessment of performance achieved 2025–26

Ministerial feedback questionnaire: The performance result was calculated as an average of the percentage of Treasury ministers or their representative who provided ratings of 4 (good) or 5 (very good) on a 5-point scale for applicable question items.

Achieved is assessed as a performance result of equal to or above 87 per cent, substantially achieved is assessed as 82 to 86 per cent, partially achieved is assessed as 77 to 81 per cent, and not achieved is assessed as equal to or below 76 per cent.

Stakeholder survey: The performance result was calculated as an average of the percentage of survey respondents who provided ratings of 4 (agree) or 5 (strongly agree) on a 5-point scale for applicable question items.

21 Stakeholders involved in the survey are senior officials from Australian Government entities that are Treasury's counterparts and senior executive level stakeholders from organisations external to government who have had defined interactions with Treasury at least 4 times in the past year (1 April 2025 – 31 March 2026).

Achieved is assessed as a performance result of ≥80 per cent, substantially achieved is assessed as 75 to 79 per cent, partially achieved is assessed as 70 to 74 per cent, and not achieved is assessed as ≤69 per cent.

Methodology

Independent stakeholder survey conducted by a third-party provider and structured interviews with Treasury ministers or their representatives. The assessment of the ministerial feedback questionnaire will be weighted so that the Treasurer's responses account for 50 per cent of the overall percentage measure. Stakeholder selection is governed by transparent stakeholder selection rules.

Data sources

Stakeholder lists and responses to the stakeholder survey and the ministerial feedback questionnaire from Treasury ministers or their representatives.

Source

PBS Program 1.1 – Economic Management, Corporate Plan 2025–26.

Analysis

Treasury used structured interviews with Treasury ministers or their representatives and surveyed stakeholders to assess the effectiveness of its working relationships. Treasury engaged an external provider to develop and report on the ministerial feedback questionnaire and the stakeholder survey. All 5 ministerial interviews were conducted in June 2026 by a Treasury deputy secretary. The external provider attended as an objective observer and note taker.

In 2025–26 the external stakeholder survey questions that relate to Performance Measure 12 were updated to align with the 6 principles of the Australian Public Service (APS) Charter of Partnerships and Engagement.[22] As part of this process, 10 new questions were introduced while 3 questions were retained. The revised measure has assessed Treasury's performance across 6 dimensions of effective engagement, providing a more comprehensive assessment of stakeholder engagement.

Performance feedback from Treasury ministers and stakeholders is reported separately within this analysis.

Ministerial feedback questionnaire

The performance target has been achieved.

The ministerial interviews received a 100 per cent response rate and achieved a performance result of 100 per cent. Treasury used structured interviews with ministers or their representatives to complete the feedback questionnaire. The Treasurer, Assistant Treasurer and Minister for Financial Services, and the Minister for Housing, Minister for Homelessness, and Minister for Cities were represented by their respective chiefs of staff. The Minister for Small Business, Minister for International Relations and

22 https://www.apsc.gov.au/aps-news/charter-partnerships-and-engagement

Minister for Multicultural Affairs was represented by her director of policy and senior policy adviser. The Assistant Minister for Productivity, Competition, Charities, and Treasury participated personally in his interview.

As the senior minister with a higher volume of interactions with the Treasury and greater policy coverage, the Treasurer's (or their representative's) survey ratings were weighted more highly than those of other Treasury ministers. Under this weighting formula, the Treasurer's responses accounted for 50 per cent of the aggregate performance results derived from the survey.

All ministerial stakeholders rated the quality of working relationships with Treasury as positive (100 per cent). Nearly all ministerial stakeholders (88 percent, no change from 2024–25) rated their working relationship as 'very good'.

General comments from ministerial stakeholders were largely very positive about Treasury's performance overall. Feedback from ministerial stakeholders highlighted Treasury staff responsiveness, professionalism, and expertise. Ministerial stakeholders noted the frank and fearless advice they receive from Treasury.

Stakeholder survey

The performance target has been substantially achieved.

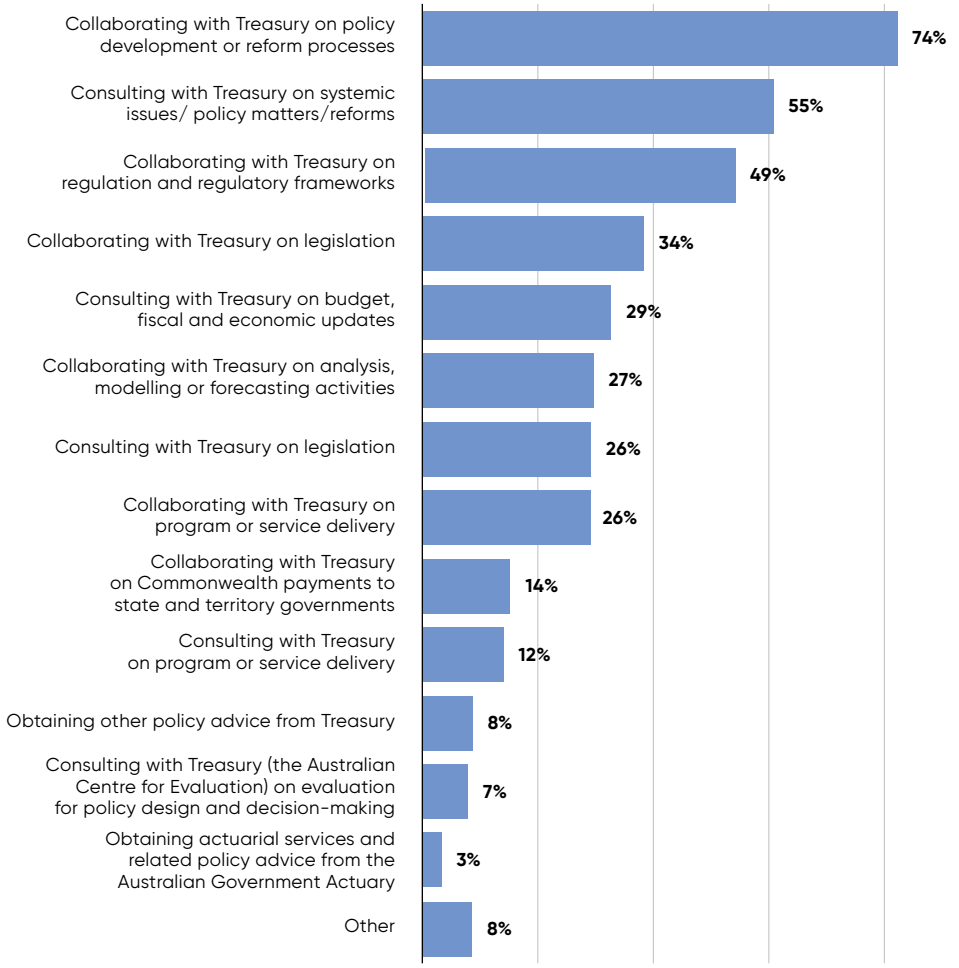
A total of 840 Australian Government entity and external stakeholders were invited to participate in the survey, an increase from 729 in 2024–25. The survey had a response rate of 26 per cent overall, with a 26 per cent response rate from Australian Government entity stakeholders and a 27 per cent response rate from external stakeholders.[23] Treasury achieved a performance result of 77 per cent (a decrease from 81 per cent in 2024–25).

Stakeholders from other Australian Government departments and agencies made up 33 per cent of survey respondents with 23 per cent from Treasury portfolio agencies. The remaining stakeholders external to the Australian Government included peak bodies (16 per cent), individual businesses (8 per cent), state and territory government entities (8 per cent), not-for-profit organisations (5 per cent), universities and research institutions (2 per cent), international government organisations (1 per cent), and international organisations (<1 per cent).

Most survey respondents engaged with Treasury on policy development and reform (74 per cent) and consultation on systemic and policy matters (55 per cent). Nearly half the stakeholders (49 per cent) collaborated on regulation and regulatory frameworks. Collaboration with Treasury on analysis, modelling, and forecasting activities was identified by over a quarter of stakeholders (27 per cent). More than a quarter (26 per cent) engaged on program and service delivery and of those programs in Treasury, Consumer Data Right had the highest level of engagement (10 per cent).

23 A response rate of 20 per cent was established as a valid response for the survey.

Figure 12: Types of engagement with Treasury



Stakeholders generally provided positive assessments of Treasury's performance across the 6 principles of the APS Charter of Partnerships and Engagement. Stakeholders were most positive in relation to Treasury being collaborative, with a very positive rating of 85 per cent, followed by transparent (81 per cent). Average ratings were also positive for Treasury being open and informed (both 77 per cent), and accountable (75 per cent). Stakeholders were least positive in relation to Treasury being responsive, although the majority still provided positive ratings on average (70 per cent).

At the individual question level, stakeholders were most likely to agree that Treasury staff engaged with them in a respectful and constructive manner (91 per cent), acted with integrity and transparency in its dealings (85 per cent), and provided meaningful opportunities to contribute their views during engagement and consultation processes (85 per cent). The lowest ratings were recorded for Treasury communicating how stakeholder input contributed to decisions or outcomes, where appropriate (72 per cent), providing information to organisations in a timely manner (70 per cent), and adapting its approach to appropriately engage with stakeholders (68 per cent).

Figure 13: Perceptions of Treasury engagement

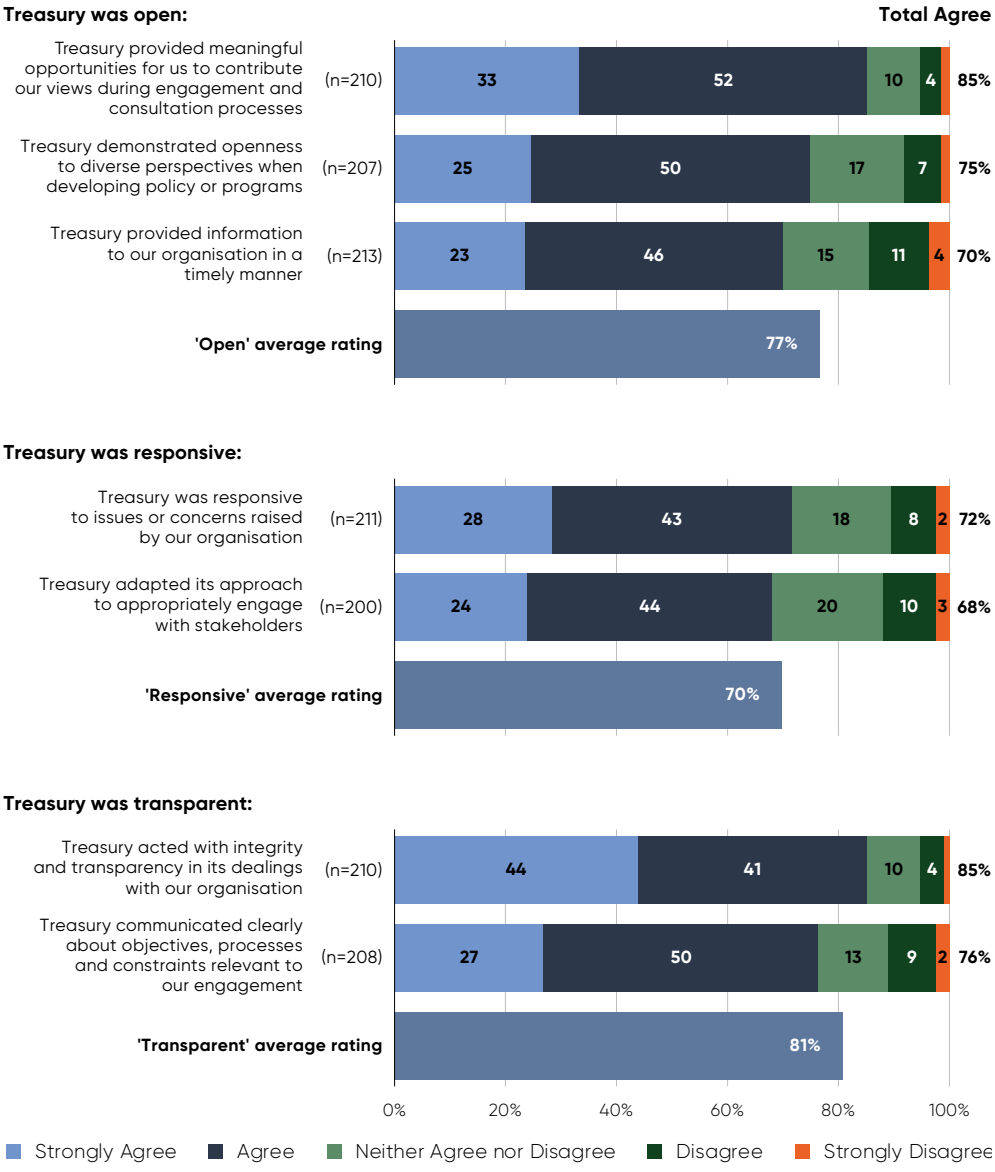
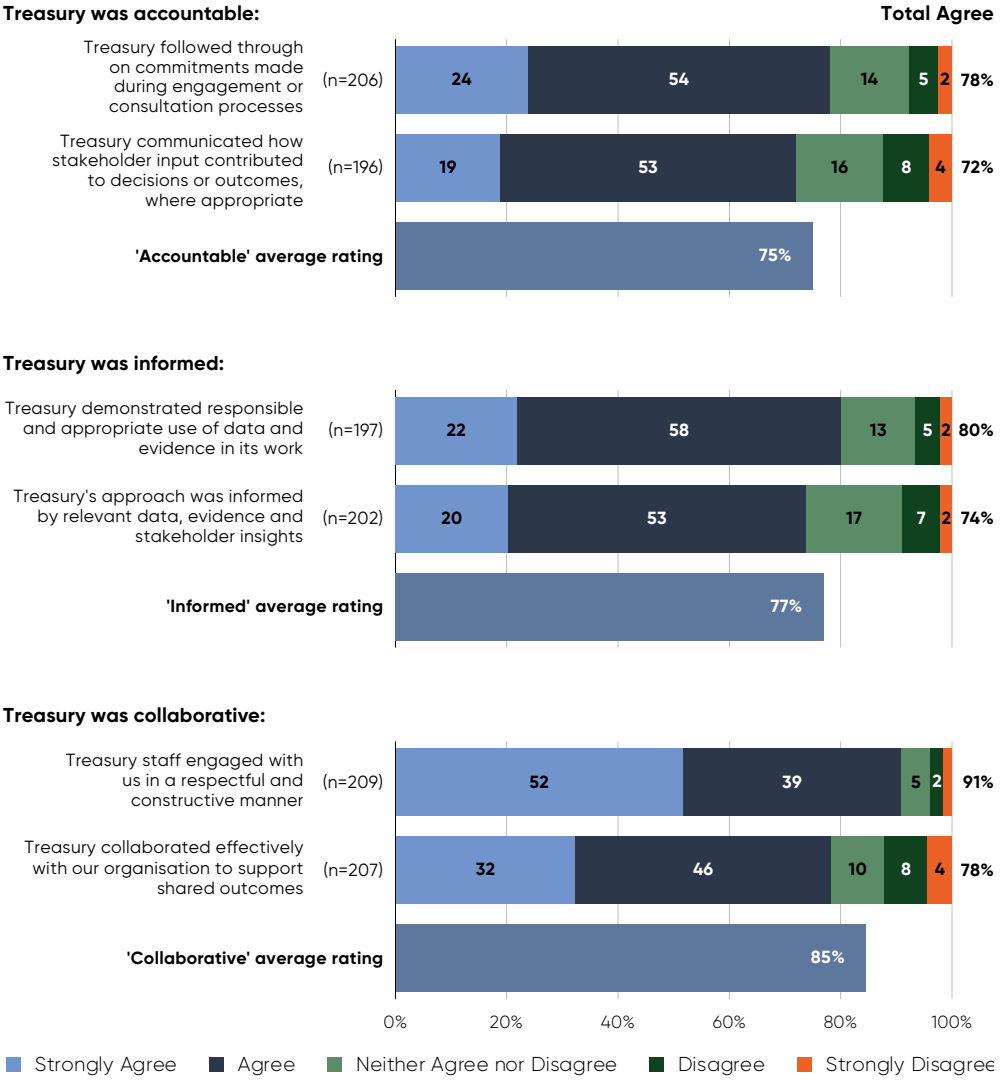
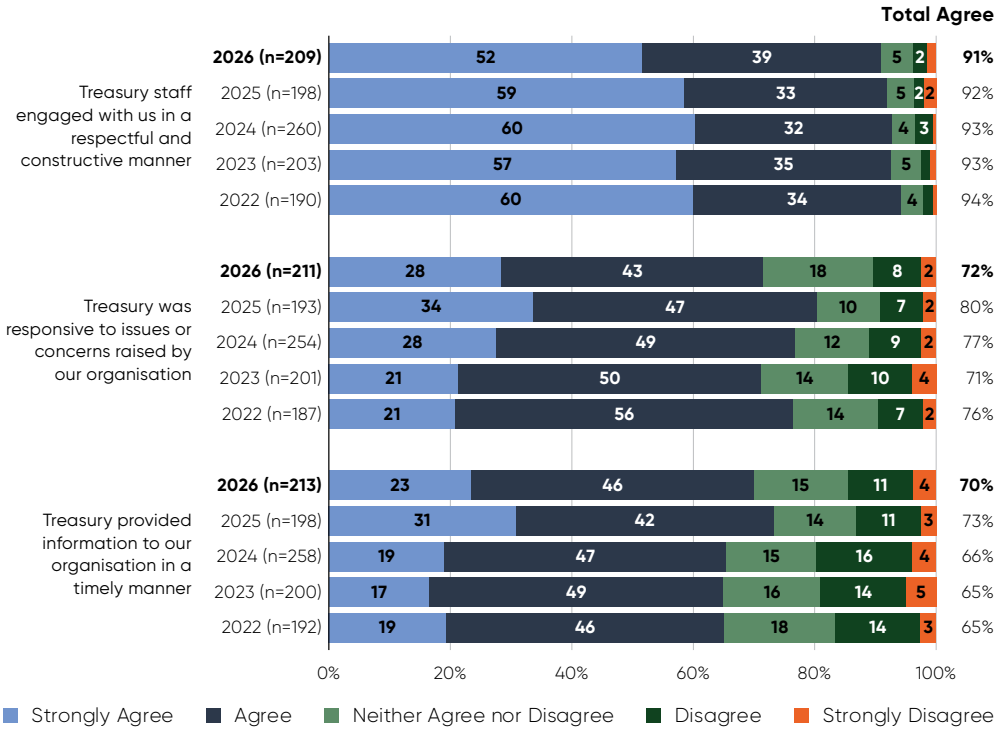


Figure 13: Perceptions of Treasury engagement (continued)



Results for the 3 comparable questions retained from previous years were mixed in 2025–26. Stakeholders remained highly positive about Treasury staff engaging with them in a respectful and constructive manner (91 per cent, broadly in line with 92 per cent in 2025–26). However, fewer stakeholders agreed that Treasury was responsive to issues or concerns raised by their organisation (72 per cent, down from 80 per cent) and provided information to their organisation in a timely manner (70 per cent, down slightly from 73 per cent).

Figure 14: Perceived effectiveness of working relationships with Treasury, comparison from 2022 to 2026



Stakeholders were invited to provide comments on their working relationship with Treasury. Stakeholders provided 96 general comments about Treasury's performance. Most comments related to Treasury staff, as well as their communication, collaboration, and engagement. Stakeholder perceptions of Treasury's engagement were generally very positive, with around one quarter indicating Treasury's collaborative approach, open communication, responsiveness, and strength of their working relationships. A quarter of stakeholders also highlighted the knowledge, expertise, professionalism, and helpfulness of staff.

Intended result 3.2

Partnering with international financial institutions promotes international monetary cooperation, fosters financial system stability and economic growth, and facilitates the government's objectives in international forums.

Performance measure 13

Proportion of payments to international financial institutions are transferred within legislated requirements and agreements.[24]

Target 2025–26	Performance result 2025–26	Performance result 2024–25	Performance result 2023–24	Performance result 2022–23[a]
100%	**Achieved** 100% Eleven payments were transferred within legislative requirements and agreements.	**Achieved** 100% Eight payments were transferred within legislative requirements and agreements.	**Achieved** 100% Eleven payments were transferred within legislative requirements and agreements.	**Achieved** 100% Fifteen payments were transferred within legislative requirements and agreements.

a) Treasury removed the assessment of payments against timeframes in 2022–23.

Assessment of performance achieved in 2025–26

Achieved is assessed as 100 per cent of payments are transferred within legislated requirements and agreements, substantially achieved is assessed as 95 to 99 per cent, partially achieved is assessed as 90 to 94 per cent, and not achieved is assessed as below 90 per cent.

Methodology

Assessment of payments against the requirements of relevant legislation and agreements. The performance results will be calculated as a percentage of total payments that meet requirements and timeframes against total payments (all payments including those that do not meet requirements and timeframes) for the period.

Data sources

International Monetary Agreements Act 1947 and *International Finance Corporation Act 1955*, *Asian Development Bank Act 1966*, *Asian Infrastructure Investment Bank Act 2015*, *European Bank for Reconstruction and Development Act 1990*, and payment records from the Reserve Bank of Australia, World Bank, International Finance Corporation, Asian Development Bank, International Monetary Fund, or other multilateral development banks (where relevant).

24 Payments to international financial institutions refers to a one-way transfer of funds from Australia to the relevant financial institution. It does not include two-way exchanges or one-way receipts of funds.

Source

Program 1.2 – International Financial Relations, Corporate Plan 2025–26.

Analysis

The performance target has been achieved.

Treasury administered 11 payments to international financial institutions totalling A$1.51 billion in 2025–26. These included 6 payments to the International Monetary Fund (IMF) totalling approximately A$1.01 billion. These payments include an annual assessment charge, Special Drawing Rights interest charges, and one maintenance of value payment. On-time payments to the IMF supported Australia's relationship with the IMF which is essential to help promote international monetary cooperation, financial system stability and economic growth, and to facilitate the government's objectives in international forums.

One payment was made to the European Bank for Reconstruction and Development for the purchase of shares for a sum of A$13.22 million.

Treasury also issues promissory notes to multilateral development banks, with payments against those notes financed from the Department of Foreign Affairs and Trade's official development assistance budget. Treasury administered 4 promissory notes over this reporting period, totalling A$486.04 million, to facilitate commitments to the World Bank's Global Environment Facility Trust Fund and International Development Association, as well as the Asian Development Bank's Asian Development Fund.

Intended result 3.3

Payments to the states and territories (the states) are administered in accordance with the *Intergovernmental Agreement on Federal Financial Relations* and other relevant agreements between the Commonwealth and the states.

Performance measure 14

Proportion of payments to the states are delivered within requirements of the *Intergovernmental Agreement on Federal Financial Relations* and other relevant agreements between the Commonwealth and the states.

Target 2025–26	Performance result 2025–26	Performance result 2024–25	Performance result 2023–24	Performance result 2022–23[a]
100%	**Substantially achieved** 99.3% 818 out of 824 payments delivered within legislative requirements and agreements.	**Substantially achieved** 99.0% 782 out of 790 payments delivered within legislative requirements and agreements.	**Substantially achieved** 99.6% 681 out of 684 payments delivered within legislative requirements and agreements.	**Substantially achieved** 99.8% 636 out of 637 payments delivered within legislative requirements and agreements.

a) Treasury removed the assessment of payments against timeframes in 2022–23.

Assessment of performance achieved in 2025–26

From 2023–24 to 2025–26, achieved is assessed as 100 per cent of payments are delivered within requirements, substantially achieved is assessed as 98 to 99.9 per cent, partially achieved is assessed as 95 to 97.9 per cent, and not achieved is assessed as below 95 per cent.

In 2022–23, achieved is assessed as 100 per cent of payments are delivered within requirements, substantially achieved is assessed as 95 to 99 per cent, partially achieved is assessed as 90 to 94 per cent, and not achieved is assessed as below 90 per cent.

Methodology

Assessment of payments against the requirements of the *Intergovernmental Agreement on Federal Financial Relations* and other relevant agreements between the Commonwealth and the states. The assessment will be calculated as a percentage of the number of payments that meet requirements against the total number of payments (all payments including those that do not meet requirements) for the period.

Data sources

The *Intergovernmental Agreement on Federal Financial Relations* and other relevant agreements, records of payment requests in the Federal Payments Management System, approvals, and payment advice.

Source

Program 1.4 – Commonwealth-State Financial Relations, Corporate Plan 2025–26.

Analysis

The performance target has been substantially achieved.

In accordance with the *Intergovernmental Agreement on Federal Financial Relations*, Treasury made payments to the states totalling $203.8 billion during the period from 1 July 2025 to 30 June 2026. This included:

- 12 specific purpose payment rounds made on the seventh of each month (or the closest working day after)
- one extraordinary specific purpose payment round made on 30 June 2026
- 12 general revenue assistance payment rounds made on the twenty-first of each month (or the closest working day after).

In total, these 25 payment rounds comprised 824 individual payments to the states. Each of the 824 individual payments was verified by 2 Treasury officers prior to approval. Payment data sources have been reconciled to ensure alignment between what Commonwealth agencies requested be paid to the states, what officials in the Treasury approved as payments to the states, and what was paid to the states.

Treasury has identified 6 instances of payment errors throughout the year. These comprised 5 overpayments and one underpayment, totalling $2,975.98. In each case, Treasury paid the amount requested by the agency administering the funding agreement. The errors were administrative in nature and primarily related to the use of rounded numbers in funding agreements. Treasury is taking corrective action on the 6 errors and working with agencies to strengthen controls going forward, to reduce the likelihood of these errors recurring.

Financial performance

Departmental resourcing

Treasury received $381.2 million in departmental operating appropriations and $3.6 million in capital budget appropriations in 2025–26. Following machinery of government changes in 2025, Treasury also received $16.0 million credited to the Australian Building Codes Board special account. Treasury's departmental resourcing is controlled by the Secretary to the Treasury and is provided for the day-to-day operations of Treasury.

Treasury recorded an operating surplus of $8.5 million in 2025–26 under net cash appropriation arrangements (2024–25: $8.9 million net cash operating surplus). Treasury has a sound financial position and can meet its debt obligations as and when they fall due.

Administered resourcing

Treasury managed $237.6 billion in administered resourcing in 2025–26, including $3.9 billion in annual appropriations, $140.6 billion in special appropriations, $93.1 billion in special accounts, and $55.3 million transferred under section 75 of the PGPA Act relating to machinery of government changes. Treasury's administered resourcing is available for payments under the programs administered by Treasury on behalf of the Australian Government.

Treasury's total administered expenses in 2025–26 was $223.5 billion (2024–25: $209.7 billion). Of this total, $163.6 billion were for payments to the states and territories and $57.5 billion were Medicare Guarantee transfers to the Department of Health and Aged Care.

Treasury's total administered revenue in 2025–26 was $2.4 billion (2024–25: $2.2 billion).

Further details on Treasury's financial resources and expenses are in Table 5 and Table 6 below.

Resource tables

Table 5: Department of the Treasury resource statement 2025–26

	Actual available appropriation	Payments made	Balance remaining
	2025–26 $'000 (a)	2025–26 $'000 (b)	2025–26 $'000 (a - b)
Departmental			
Annual appropriations–ordinary annual services			
Prior year appropriation available[1]	142,007	139,432	2,575
Departmental appropriation	381,151	243,114	138,037
Departmental capital budget	3,560	1,994	1,566
s74 External Revenue	31,999	31,999	-
Total departmental annual appropriations	**558,717**	**416,539**	**142,178**
Special accounts			
Adjustments	9,328	5,430	3,898
Non appropriated receipts	6,659	-	6,659
Total departmental special accounts	**15,987**	**5,430**	**10,557**
Total departmental resourcing	**574,704**	**421,969**	**152,735**
Administered			
Annual appropriations–ordinary annual services			
Prior year appropriations available[1]	224,465	37,886	186,579
Outcome 1	286,616	197,589	89,027
Payment to corporate entities	6,277	6,277	-
Annual appropriations–other services–non-operating			
Prior year appropriations available[1]	1,433,621	-	1,433,621
Administered assets and liabilities	1,990,151	445,865	1,544,286
Total administered annual appropriations	**3,941,130**	**687,617**	**3,253,513**
Total administered special appropriations	**140,574,954**	**140,574,954**	**-**

	Actual available appropriation	Payments made	Balance remaining
	2025–26 $'000 (a)	**2025–26 $'000 (b)**	**2025–26 $'000 (a - b)**
Special accounts			
Opening balance	1,410,502	695,006	715,496
Adjustments	87,299,402	87,299,402	-
Appropriation receipts	947,369	947,369	-
Non-appropriated receipts	3,461,181	2,972,461	488,720
Total administered special accounts	**93,118,454**	**91,914,238**	**1,204,216**
Total administered resourcing	**237,634,538**	**233,176,809**	**4,457,729**
Total resourcing and payments for Treasury	**238,209,242**	**233,598,778**	**4,610,465**

Note: Details of appropriations are disclosed in Note 6 of the Financial Statements.

1) 'Prior year appropriations available' are unspent amounts relating to prior year Appropriation Acts that were still in force during the financial year, including amounts permanently withheld under section 54 of the PGPA Act and amounts transferred to Treasury from other entities under section 75 of the PGPA Act during 2025–26. The Appropriation Acts for the 2022–23 financial year were repealed on 1 July 2025.

Table 6: Expenses for Treasury Outcome 1 2025–26

Outcome 1: Supporting and implementing informed decisions on policies for the good of the Australian people, including for achieving strong, sustainable economic growth, through the provision of advice to Treasury ministers and the efficient administration of Treasury's functions.

	Budget*	Actual expenses	Variation
	2025–26 $'000 (a)	2025–26 $'000 (b)	2025–26 $'000 (a - b)
Program 1.1: Economic Management			
Administered expenses			
Ordinary annual services	3,766	3,556	210
Special accounts			
Medicare Guarantee Fund Special Account	55,780,353	57,541,247	(1,760,894)
Total expenses for Program 1.1	**55,784,119**	**57,544,803**	**(1,760,684)**
Program 1.2: International Financial Relations			
Administered expenses			
Special appropriations			
International Monetary Agreements Act 1947	606,294	519,092	87,202
Expenses not requiring appropriation in the Budget year[1]	73,059	40,200	32,859
Total expenses for Program 1.2	**679,353**	**559,292**	**120,061**
Program 1.3: Support for Markets and Business			
Administered expenses			
Ordinary annual services	37,631	31,671	5,960
Special appropriations			
Corporations Act 2001	58,508	97,798	(39,290)
Expenses not requiring appropriation in the Budget year[1]	40,626	-	40,626
Total expenses for Program 1.3	**136,765**	**129,469**	**7,296**

	Budget*	Actual expenses	Variation
	2025–26 $'000 (a)	2025–26 $'000 (b)	2025–26 $'000 (a - b)
Program 1.4: Commonwealth – State Financial Relations			
Administered expenses			
Special appropriations			
Federal Financial Relations Act 2009	137,889,943	138,555,415	(665,472)
Special accounts			
Federation Reform Fund	24,167,802	24,372,368	(204,566)
Expenses not requiring appropriation in the Budget year[1]	584,209	714,958	(130,749)
Total expenses for Program 1.4	**162,641,954**	**163,642,741**	**(1,000,787)**
Program 1.5: Support for Housing Supply and Affordability			
Administered expenses			
Ordinary annual services	213,549	180,456	33,093
Special accounts			
Housing Australia Future Fund Payments Special Account	73,844	37,215	36,629
Housing Australia Special Account	500,000	500,000	-
Payment to corporate entities			
Housing Australia	6,277	6,277	-
Expenses not requiring appropriation in the Budget year[1]	615,896	2,948,115	(2,332,219)
Total expenses for Program 1.5	**1,409,566**	**3,672,063**	**(2,262,497)**
Outcome 1 Totals by appropriation type			
Administered expenses			
Ordinary annual services	254,946	215,683	39,263
Special appropriations	138,554,745	139,172,295	(617,550)
Special accounts	80,521,999	82,450,841	(1,928,842)
Payment to corporate entities	6,277	6,277	-
Expenses not requiring appropriation in the Budget year[1]	1,313,790	3,703,272	(2,389,482)
Administered total	**220,651,757**	**225,548,368**	**(4,896,611)**

	Budget*	Actual expenses	Variation
	2025–26 $'000 (a)	2025–26 $'000 (b)	2025–26 $'000 (a - b)
Departmental expenses			
Departmental appropriations[2]	372,779	363,178	9,601
s74 External Revenue[3]	16,435	8,970	7,465
ABCB Special Account	-	6,601	(6,601)
Expenses not requiring appropriation in the Budget year[1]	24,144	24,435	(291)
Departmental total	**413,358**	**403,184**	**10,174**
Total expenses for Outcome 1	**221,065,115**	**225,951,552**	**(4,886,437)**

	2025–26	2025–26	
Average staffing level (number)	1,671	1,709	

* 2025–26 Revised estimated expense amounts as published in Portfolio Additional Estimates Statements 2025–26 (PAES).

1) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, resources received free of charge, foreign exchange losses, concessional loan discount, unwinding of provision discount, guarantee claim expenses and grants provision expenses.

2) Departmental appropriations include ordinary annual services (Appropriation Acts No. 1 and No. 3).

3) Estimated expenses incurred in relation to Treasury's revenue from contracts with customers that were retained under section 74 of the PGPA Act.

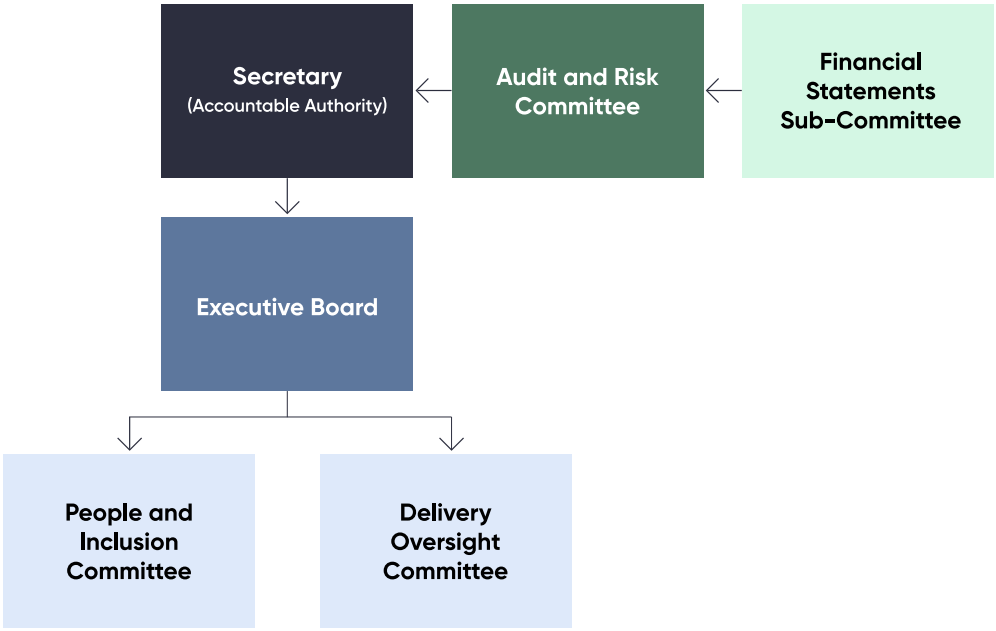
Part 3 – Management and accountability

Corporate governance

Treasury's corporate governance structure supports several functions. It focuses the department on achieving its purpose. It facilitates proper use and management of public resources. It drives our risk and control systems. It also ensures the department's financial sustainability.

Treasury's enterprise performance framework helps us measure our performance to promote accountability through public reporting. Measuring and assessing performance can improve how we develop policy and implement programs. The corporate plan is our primary planning document. It sets out how we will direct our efforts to achieve our purpose and deliver on the government's priorities. We use divisional business plans to link our purpose with key deliverables and support workforce planning. We review our performance framework annually to make sure we comply with legislative and accountability requirements under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

Figure 15: Treasury's enterprise governance committee structure



Governance committees

Treasury's new governance structure took effect on 24 February 2026. From 1 July 2025 to 23 February 2026, the Performance and Risk Committee had responsibilities that included business planning and continuity, performance monitoring and reporting, enterprise risk management and systems of internal control, security, cyber security and asset management.

Executive Board

The Executive Board comprises the Secretary and deputy secretaries. The Executive Board supports the Secretary to discharge their duties under the PGPA Act and section 57 of the *Public Service Act 1999*.

Delivery Oversight Committee

The Delivery Oversight Committee is an advisory and decision-making sub-committee of the Executive Board. It has responsibility for monitoring projects, programs and delivery systems to support the efficient operation of the department. It focuses on priority commitments, program and enterprise risks, data governance, digital strategy, information and communications technology (ICT) delivery and security compliance. The Delivery Oversight Committee was established on 24 February 2026.

People and Inclusion Committee

The People and Inclusion Committee is an advisory and decision-making sub-committee of the Executive Board. It has responsibility for ensuring the department's workforce is safe, effective, capable and engaged. It ensures the department has the workforce capacity and inclusive culture required to deliver on its purpose. The People and Inclusion Committee also has specific responsibilities for work health and safety, and for receiving regular reports from internal consultation forums related to work health and safety, and workplace relations.

Consultation committees

Two consultation committees support Treasury's enterprise governance committees.

Health and Safety Committee

The Health and Safety Committee assists the Secretary in carrying out their statutory obligations in accordance with the *Work Health and Safety Act 2011*. It facilitates cooperation between Treasury management and employees to develop and review health and safety policies, procedures and initiatives, and manage health and safety risks in the workplace.

Workplace Relations Committee

The Workplace Relations Committee is Treasury's primary staff consultation body, convened in accordance with the *Treasury Enterprise Agreement 2024–2027* (the enterprise agreement). It plays an important role in facilitating ongoing, open and transparent consultation between Treasury and its employees relating to issues affecting the working environment and employment conditions.

Audit and Risk Committee

The Treasury's Audit and Risk Committee was established in accordance with section 45 of the PGPA Act. It provides independent advice to the Secretary on the appropriateness of the department's financial reporting, performance reporting, system of risk oversight and management, and the system of internal control. The Committee's Charter is available on the Treasury website at treasury.gov.au/the-department/corporate-publications/audit-risk-committee-charter.

The Financial Statements Sub-Committee provides advice to the Audit and Risk Committee on the preparation and sign-off of Treasury's financial statements. The Financial Statements Sub-Committee is directly accountable to the Audit and Risk Committee for the performance of its functions.

The Audit and Risk Committee has 3 members – an independent chair and 2 independent members.

The Audit and Risk Committee met 5 times in 2025–26 and received regular briefings from Treasury management on priorities, operations and risks, as well as the outcomes of risk and audit activities.

Table 7: Audit and Risk Committee members – qualifications, attendance and remuneration

Name	Position and Role	Qualifications	Experience	Date of Commencement	Date of Cessation	Attendance	Remuneration [a]
Mr Don Cross	External Member Audit and Risk Committee Chair Financial Statements Subcommittee Chair Delivery Oversight Committee Observer	Fellow of the Institute of Chartered Accountants and a Certified Practising Accountant Numerous qualifications and professional memberships in accounting, fraud control, business, and auditing	Mr Cross has a background in financial audit, internal audit, management assurance and performance and program management. He leverages this background, skills and experience as the Chair or Member of Audit and Risk Committees for federal government departments and Corporate Commonwealth Entities delivering policy, regulatory and service delivery functions.	1 August 2019	-	5/5	$51,790
Ms Carol Lilley	External Member	Bachelor of Commerce Graduate of the Australian Institute of Company Directors Fellow of Chartered Accountants Australia and New Zealand, Certified internal auditor and was a registered company auditor	Independent board director and chair or member of several Commonwealth government audit committees. Previous Partner at a large accounting firm and has over 20 years' experience in financial statement audit, internal audit and project and risk management, with a particular focus on government.	28 October 2021	-	5/5	$34,448

Name	Position and Role	Qualifications	Experience	Date of Commencement	Date of Cessation	Attendance	Remuneration [a]
Mr Greg Divall	External Member	Bachelor of Applied Science (Mathematics) Master of Business Administration Graduate of the Australian Institute of Company Directors	Current member of several Commonwealth and state government audit committees. Over 20 years' experience in Senior Executive Service leadership roles in Centrelink and the departments of Defence, Human Services, Treasury, Climate Change and Energy Efficiency and Industry. Current member of Defence Independent Assurance Board.	21 October 2024	-	5/5	$43,292

a) Where applicable, remuneration is goods and services tax (GST) inclusive and covers preparation for and attendance at meetings of the Audit and Risk Committee, as well as meeting preparation and attendance at sub-committees (where relevant) and other meetings as required by the member's role.

Risk management

Governance committees endorsed Treasury's revised risk management policy and framework in 2025. Treasury's risk management policy and framework provide the basis for continued improvement and embedding risk management processes during the reporting year.

Our governance arrangements for risk reporting provide the Secretary with assurance that risk is assessed and managed. In 2025–26, these included reporting through the former Performance and Risk Committee, the Delivery Oversight Committee, the independent Audit and Risk Committee, and the Executive Board.

Fraud prevention and control

Treasury has a Fraud and Corruption Control Plan, as well as processes and systems for the prevention and detection of fraud and corruption. The control plan outlines how we respond to and report incidents of fraud and corruption in accordance with section 10 of the Public Governance, Performance and Accountability Rule 2014.

We are committed to strengthening fraud and corruption control arrangements and enhancing awareness of the obligations officials have under the new Commonwealth Fraud and Corruption Control Framework and the *National Anti-Corruption Commission Act 2022*. Initiatives in 2025–26 included undertaking a fraud and corruption risk assessment, a refresh of the fraud and corruption public webpage, introduction of a new anonymous fraud reporting form, and delivery of an agency wide anti-corruption event as part of Integrity and Fraud Week.

Treasury reports fraud information annually to the Treasurer and the Australian Institute of Criminology. Treasury's 2025–26 fraud certification can be found in the Letter of Transmittal.

Internal audit arrangements

Internal audits provide independent advice and assurance to the Secretary about the effectiveness of our governance, risk, compliance and performance arrangements, and our financial and operational controls. The internal audit program improves our ability to manage risks and drive performance.

Treasury's internal auditors deliver independent advice and assurance in line with our 3-year Strategic Internal Audit Plan. Treasury and our internal auditors developed the Plan in consultation with the independent Audit and Risk Committee, the former Performance and Risk Committee, the Executive Board and other departmental stakeholders.

In 2025–26, Treasury introduced a new Internal Audit Strategy and updated its Internal Audit Charter to complement the Strategic Internal Audit Plan and reflect the new Institute of Internal Auditors Global Internal Audit Standards. Our internal auditors delivered a program of audits across the broad range of Treasury functions. These included performance, compliance and control, efficiency, and in-flight audits, as well as management-initiated reviews.

Management-initiated review

Treasury's Annual Report 2024–25 included reporting of potential breaches of section 83 of the Australian Constitution relating to payments made to states and territories under the Energy Bill Relief arrangements.[25] In response, Treasury initiated a review of the adequacy and effectiveness of the controls that support the lawful administration of state payments.[26]

The review found Treasury has a largely effective control framework. The review did not identify any significant ongoing areas of risk.

It nominated 4 opportunities to strengthen the framework:

1. improving how Treasury validates payment authority
2. strengthening payment controls for Treasury administered programs
3. more clearly defining roles and responsibilities in payment administration
4. improving real-time monitoring of payment controls.

Treasury is progressing these improvements.

Integrity and ethical standards

Treasury holds itself to the highest standards of ethical conduct and professional behaviour. We have a comprehensive set of policies and procedures aligned with the Australian Public Service (APS) Code of Conduct and Values to ensure staff uphold the standards in the *Public Service Act 1999*.

We continued to strengthen our pro-integrity culture in 2025–26 through implementation of our Integrity Strategy, the APS Integrity Taskforce Action Plan and Commonwealth Integrity Maturity Framework. We used our collective experience, diversity, and resources to support the ethical and sustainable delivery of policies and programs.

Significant non-compliance issues with finance law

There were no significant instances of non-compliance with the finance law reported to the responsible minister in 2025–26.

25 Treasury Annual Report 2024–25, pages 142–143.

26 Further information on Treasury's performance in processing state payments can be found in performance measure 14 of the Annual Performance Statements.

External scrutiny

Treasury is committed to transparency and accountability in the Australian public sector, to build and sustain trust with government, stakeholders, and the Australian people. This section provides information on external scrutiny of the department during the reporting period.

Courts and tribunals

Treasury managed a range of legal matters before courts and tribunals during the reporting period.

Judicial decisions

In 2025–26, there were 2 court decisions that had, or may have had, a significant impact on the department's operations.

In *Stott v. The Commonwealth of Australia & Anor* [2025] HCA 39 (which was heard together with *G Global v Commissioner of State Revenue*), the High Court agreed to overturn a principle that meant the Commonwealth could not retrospectively resolve inconsistency between Commonwealth and State laws. That matter related to certain Commonwealth amendments that allowed certain state taxes have effect on their terms, notwithstanding inconsistent provisions in the *International Tax Agreements Act 1953*. The High Court found that the Commonwealth did have the power to, retrospectively, remove an inconsistency between Commonwealth and State taxation laws.

In another matter, on 30 January 2026 the Federal Court of Australia ordered Indian Ocean International Shipping and Service Company Ltd and Ms Jing Tian to pay $14 million in civil penalties for breaching disposal orders issued under the *Foreign Acquisitions and Takeovers Act 1975*. In June 2024, the Treasurer ordered 5 foreign investors, including Indian Ocean, to sell their shares in Northern Minerals Limited to unrelated parties by 2 September 2024. The orders were issued due to national security concerns about these investors' shareholdings in the critical minerals company. In August 2024, Indian Ocean transferred their shares in Northern Minerals to Ms Tian, who at the time was the company's director and sole shareholder. The Federal Court declared that the transfer of shares breached the disposal orders. This was the first case brought by a Treasurer under Australia's foreign investment laws since they were introduced in 1975.

Decisions of administrative tribunals

In 2025–26, there were no decisions of administrative tribunals that had, or may have had, a significant impact on the operations of the department.

Decisions by the Australian Information Commissioner

In 2025–26, the Australian Information Commissioner finalised review of 5 departmental freedom of information decisions. The Information Commissioner set aside 3 Treasury decisions and declined to continue reviews of 2 decisions. Of the 3 decisions to set aside Treasury's decision, all were set aside to reflect a change in Treasury's position on the matter under review. The Information Commissioner's decisions did not have a significant impact on the operations of the department.

Reports by the Auditor-General

The Australian National Audit Office (ANAO) tabled 2 performance audit reports involving Treasury during 2025–26.

- Auditor-General Report No. 41 *Department of the Treasury's Readiness to Implement the Scams Prevention Framework* was tabled on 24 June 2026. There were 4 recommendations about Treasury's risk management arrangements, stakeholder consultation, monitoring and reporting and evaluation planning. Treasury agreed with all recommendations.
- Auditor-General Report No. 32 *Administration of the Freedom of Information Act 1982 by Selected Entities* was tabled on 20 May 2026. There were 6 recommendations related to Treasury about strengthening freedom of information policies, monitoring and assurance arrangements, disclosure practices, record-keeping, decision-making guidance and data reporting. Treasury agreed to the 6 recommendations.

Auditor-General Report No.17 *Audits of the Financial Statements of Australian Government Entities* included the audit of Treasury's annual financial statements. Treasury received an unmodified audit report on the 2024–25 financial statements with no significant or moderate audit findings.

Auditor-General Report No. 22 *Performance Statements of Major Australian Government Entities – Outcomes from the 2024–25 Audit Program* included the audit of Treasury's annual performance statements for 2024–25. This was the fourth year we have participated in this audit program. The report assessed the overall maturity of our approach to performance reporting as 'advanced'. Treasury's annual performance statements were part of the ANAO's program of work in 2025–26.

Parliamentary hearings and committees

During 2025–26, Treasury supported the work of several parliamentary committees. The Senate Standing Committees on Economics, comprising the Senate Economics Legislation Committee and the Senate Economics References Committee, are responsible for examining matters relating to the Treasury and Industry, Science and Resources portfolios. Treasury contributed through submissions, appearances at committee hearings and responses to questions taken on notice. Relevant committee documents, including submissions, hearing transcripts and responses to questions on notice, are available on the Parliament of Australia website at aph.gov.au.

Table 8: Evidence, Submissions and tabled Australian Government responses to parliamentary committee inquiries in 2025–26

Committee	Inquiry
Senate Economics Legislation Committee	Inquiry into Competition and Consumer Amendment (Unfair Trading Practices) Bill 2026
	Inquiry into the Treasury Laws Amendment (Tax Reform No. 1) Bill 2026 and Income Tax Rates Amendment (Tax Reform No. 1) Bill 2026
	Inquiry into the Corporations Amendment (Digital Assets Framework) Bill 2025
	Inquiry into the Treasury Laws Amendment (Payday Superannuation) Regulations 2026
	Inquiry into the Pacific Banking Guarantee Bill 2025
	Australian Government response to the Treasury Laws Amendment (Supporting Choice in Superannuation and Other Measures) Bill 2025
	Inquiry into the Treasury Laws Amendment (2023 Measures No. 1) Bill 2023
	Inquiry into the Treasury Laws Amendment (Tax Accountability and Fairness) Bill 2023
	Inquiry into the Treasury Laws Amendment (Fairer for Families and Farmers and Other Measures) Bill 2024 [Provisions]
	Inquiry into the Scams Prevention Framework Bill 2025
	Inquiry into the Treasury Laws Amendment (Support for Small Business and Charities and Other Measures) Bill 2023
	Inquiry into Treasury Laws Amendment (Better Targeted Superannuation Concessions and Other Measures) Bill 2023
	Inquiry into Digital Assets (Market Regulation) Bill 2023
	Inquiry into Superannuation (Objective) Bill 2023
	Inquiry into Tax Laws Amendment (Incentivising Food Donations to Charitable Organisations) Bill 2024
	Australian Government response - Micro-competition opportunities in e-conveyancing
	Inquiry into the Future Made in Australia (Production Tax Credits and Other Measures) Bill 2024 [Provisions]
	Inquiry into Treasury Laws Amendment (Mergers and Acquisitions Reform) Bill 2024
	Australian Government response - Inquiry into the Treasury Laws Amendment (Strengthening Financial Systems and Other Measures) Bill 2025
	Inquiry into Treasury Laws Amendment (Responsible Buy Now Pay Later and Other Measures) Bill 2024

Committee	Inquiry
Senate Economics Reference Committee	Inquiry into Micro-competition opportunities
	Inquiry into Not-for-profit entities-Tax assessments
Senate Legal and Constitutional Affairs Legislation Committee	Australian Government response - Inquiry into the Bankruptcy Amendment (Enterprise Incentives) Bill 2017
	Inquiry into the Whistleblower Protection Authority Bill 2025
Senate Select Committee on Supermarket Prices	Inquiry into Supermarket Prices & Competition and Consumer Amendment (Divestiture Powers) Bill 2024
Senate Environment and Communications Reference Committee	Inquiry into Climate Risk Assessment
Senate Environment and Communications Legislation Committee	Australian Government response to Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Bill 2024 [Provisions]
	Australian Government response to the Treasury Laws Amendment (2021 Measures No. 5) Bill 2021 Committee Report
Parliamentary Joint Committee on Law Enforcement	Inquiry into Money Laundering and Financial Crime
Parliamentary Joint Committee on Corporations and Financial Services	Private Hearing - Treasury Laws Amendment (Financial Reporting System Reform) Bill 2026; and Inquiry into small business insurance
	Australian Government response - Inquiry into Wholesale investor and wholesale client tests
	Statutory inquiry into ASIC, the Takeovers Panel, and the corporations legislation: ASIC licence transfers
	Ethics and Professional Accountability: Structural Challenges in the Audit, Assurance and Consultancy Industry
Select Committee on Taxation of Gas Resources	Inquiry into Taxation of Gas Resources
Senate Select Committee on the Operation of the Capital Gains Tax Discount	Inquiry into the Operation of the Capital Gains Tax Discount
Senate Select Committee on Productivity in Australia	Inquiry into Productivity in Australia
Senate Select Committee on Intergenerational Housing Inequity	Inquiry into Intergenerational Housing Inequity
Senate Rural and Regional Affairs and Transport Committee	Inquiry into Bank closures in regional Australia

Committee	Inquiry
Joint Standing Committee on Aboriginal and Torres Strait Island Affairs	Private Briefing – Aboriginal and Torres Strait Islander Affairs (JSCATSIA)
Joint Standing Committee on the National Disability Insurance Scheme	Inquiry into Integrity of the NDIS
Joint Standing committee on Treaties	Inquiry into Agreement on Social Security between Australia and the Oriental Republic of Uruguay

Information publication scheme

Treasury is subject to the *Freedom of Information Act 1982* (FOI Act) and must meet requirements as part of the Information Publication Scheme. Part II of the FOI Act requires each agency to display a plan on its website showing what information it publishes in accordance with the Information Publication Scheme. Treasury's plan is available at treasury.gov.au.

Our people

Treasury is committed to creating a trusted, responsive and highly ethical workforce.

Organisational culture

One year into implementation, Treasury's Strategic Workforce Plan 2024–30 is delivering positive progress in building a capable, adaptable and high-performing workforce. During 2025–26, Treasury progressed initiatives across the plan's 4 strategic priorities: *Knowing our workforce*, *attracting our workforce*, *retaining our workforce* and *optimising workforce practices*. Treasury uses staff feedback and workforce insights to guide investments in our people and strengthen our readiness to meet future workforce challenges.

Treasury's 2025 APS Employee Census were among the most positive across the APS, reflecting a high-performance culture marked by strong departmental pride, and inclusion, supported by strong leadership. Our workforce reported high levels of engagement and motivation, with 90 per cent of respondents proud to work at Treasury and 89 per cent willing to recommend Treasury as a good place to work. Employees also demonstrated a strong commitment to achieving Treasury's objectives and delivering outcomes for the Australian community.

Treasury's 5 employee-led diversity networks worked collaboratively to further advance Treasury's diversity awareness, understanding and capability. Achievements in 2025–26 included:

- achieving Bronze-Tier Status in the 2025 Australian Workplace Equality Index, a national benchmark for LGBTQ+ workplace inclusion
- working to develop gender-inclusive guidelines to support our mentoring program
- celebrating 2026 NAIDOC Week
- developing a Culturally and Linguistically Diverse (CALD) Action Plan
- introducing an online Adjustment Passport to support conversations about accessibility needs and record workplace adjustments.

Building on previous recruitment system enhancements, Treasury further improved its human resources system. Enhancements have streamlined processes and reduced manual and duplicative processing. They have also increased system automation and strengthened data governance, reporting and workforce insights capabilities.

We have strengthened our approach to workforce and organisational planning. This included introducing a priority resourcing model and optimal management structure review process. This enables resources to be shifted to higher priority work. Treasury also embedded stronger processes to support managers and employees to plan, engage, lead and support organisational adjustments. This was achieved through the implementation of the Managing Workplace Change Policy, related guidance and communication materials.

Performance management

Treasury develops and sustains a high-performing workforce through the Performance Development System and the Senior Executive Service (SES) Performance Leadership Framework. During the year, we improved the SES Performance Leadership Framework by establishing individual SES profiles. This allows us to bring together workforce insights, including census results, separation rates and diversity data. The profiles support consistent assessment of SES leadership, performance and development. aligned with APS-wide performance and leadership standards.

Learning and development

Treasury delivered training programs online and in-person in 2025–26, with a focus on enhancing accountability and core APS skills across all classifications. This included the leadership capabilities of SES and Executive Level (EL) staff. Development areas included artificial intelligence adoption and active bystander training. Artificial intelligence training supports the government's commitment to leveraging emerging technologies to enhance workforce capability, productivity and organisational performance. Active bystander training ensures we continue to enhance our safe and inclusive workplace.

Employees continued to supplement their professional development with APS Academy courses and Treasury's study assistance program. Employees also accessed external opportunities, including:

- Sir Roland Wilson Scholarships undertaken at the Australian National University
- Australia and New Zealand School of Government's Executive Master of Public Administration
- National Security College development programs
- Australian Public Service Commission Jawun secondments.

Entry level programs

In February 2026, 32 graduates commenced the Treasury Graduate Development Program. The 2-year program involves work placements, on-the-job training and structured learning and development.

Treasury continues to be rated as an employer of choice with the Australian Association of Graduate Employers recognising Treasury as one of Australia's Top 25 graduate employers for the third consecutive year. Treasury improved its ranking from 14th to 7th in the medium-size category, reflecting the strength of our program and the positive experiences of graduates.

Treasury leads the recruitment for the Australian Government Graduate Program Economist Stream for participating APS agencies.

We also participate in whole-of-government entry level programs, including the Australian Government graduate programs in:

- human resources
- data
- science, technology, engineering and maths
- legal
- accounting/finance
- school leavers
- Indigenous apprentices.

In 2025–26, Treasury continued its Internship Program. We engaged 5 interns to undertake paid work-based placements at the APS2 classification level, to further build entry-level career pathways.

Treasury's First Nations Career Pathway is available to Aboriginal and Torres Strait Islander employees to support career progression, attraction and retention. The pathway's first participant commenced the APS First Nations Graduate Certificate Program in January 2026.

Staffing information

Treasury had 1,684 employees at 30 June 2026. The average staffing level across 2025–26 was 1,708.8.

Over half (54.3 per cent) of Treasury's workforce are women, 75.1 per cent are 45 years of age or under, 4.3 per cent identify as having a disability, 1.1 per cent identify as Aboriginal and/or Torres Strait Islander, and 15.4 per cent identify that their first language is not exclusively English.

At 30 June 2026, women comprised 48.0 per cent of the operative SES cohort, including higher duties arrangements. Treasury has maintained gender parity target for female SES representation. Treasury achieved a gender pay gap result of 3.4 per cent.[27] This result was 1.3 percentage points better than comparable government agencies of a similar workforce size.

Treasury's geographic footprint extends beyond Canberra, with offices in Sydney, Melbourne and Perth. Treasury also has a small number of fully remote staff located in areas without an office and officers posted or deployed overseas.

Strategic Commissioning Framework

In 2025–26, Treasury continued to bring core work in-house in line with the APS Strategic Commissioning Framework. A target of $220,522 (excluding GST) was set for insourcing core ICT and Digital Solutions work. This resulted in a $269,595 (excluding GST) reduction in relevant supplier expenditure, exceeding the target for the year.

27 Workplace Gender Equality Agency, Employer Gender Pay Gaps Report, latest information published 3 March 2026 at www.wgea.gov.au/publications/employer-gender-pay-gaps-report.

Table 9: All ongoing employees current report period (2025–26)

Location	Man/ Male	Man/ Male	Man/ Male	Woman/ Female	Woman/ Female	Woman/ Female	Non-binary	Non-binary	Non-binary	Prefers not to answer	Prefers not to answer	Prefers not to answer	Uses a different term	Uses a different term	Uses a different term	Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
NSW	85	5	90	98	18	116	0	0	0	0	0	0	0	0	0	**206**
QLD	1	0	1	3	1	4	0	0	0	0	0	0	0	0	0	**5**
SA	1	0	1	1	2	3	0	0	0	0	0	0	0	0	0	**4**
TAS	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	**1**
VIC	119	6	125	99	13	112	0	0	0	0	0	0	0	0	0	**237**
WA	3	0	3	8	2	10	0	0	0	0	0	0	0	0	0	**13**
ACT	494	24	518	532	104	636	0	0	0	0	0	0	0	0	0	**1,154**
NT	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	**1**
External Territories	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Overseas	6	0	6	4	0	4	0	0	0	0	0	0	0	0	0	**10**
Total	**710**	**35**	**745**	**745**	**141**	**886**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	1,632

Note: Total figures may not equal the sum of the breakdown figures due to privacy protections designed to prevent the identification of individual employees.

Table 10: All ongoing employees previous report period (2024–25)

Location	Man/ Male	Man/ Male	Man/ Male	Woman/ Female	Woman/ Female	Woman/ Female	Non-binary	Non-binary	Non-binary	Prefers not to answer	Prefers not to answer	Prefers not to answer	Uses a different term	Uses a different term	Uses a different term	Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
NSW	89	5	94	98	20	118	0	0	0	0	0	0	0	0	0	**212**
QLD	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
SA	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	**1**
TAS	0	0	0	2	0	2	0	0	0	0	0	0	0	0	0	**2**
VIC	103	10	113	87	8	95	0	0	0	0	0	0	0	0	0	**208**
WA	3	0	3	6	3	9	0	0	0	0	0	0	0	0	0	**12**
ACT	508	28	536	519	90	609	0	0	0	0	0	0	0	0	0	**1,145**
NT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
External Territories	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Overseas	9	0	9	5	0	5	0	0	0	0	0	0	0	0	0	**14**
Total	**713**	**43**	**756**	**717**	**121**	**838**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**1,594**

Table 11: All non-ongoing employees current report period (2025–26)

Location	Man/ Male	Man/ Male	Man/ Male	Woman/ Female	Woman/ Female	Woman/ Female	Non-binary	Non-binary	Non-binary	Prefers not to answer	Prefers not to answer	Prefers not to answer	Uses a different term	Uses a different term	Uses a different term	Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
NSW	0	2	2	0	4	4	0	0	0	0	0	0	0	0	0	**6**
QLD	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
SA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
TAS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
VIC	3	3	6	1	2	3	0	0	0	0	0	0	0	0	0	**9**
WA	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	**1**
ACT	4	12	16	5	15	20	0	0	0	0	0	0	0	0	0	**36**
NT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
External Territories	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Overseas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Total	**7**	**17**	**24**	**6**	**22**	**28**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**52**

Table 12: All non-ongoing employees previous report period (2024–25)

Location	Man/ Male	Man/ Male	Man/ Male	Woman/ Female	Woman/ Female	Woman/ Female	Non-binary	Non-binary	Non-binary	Prefers not to answer	Prefers not to answer	Prefers not to answer	Uses a different term	Uses a different term	Uses a different term	Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
NSW	2	2	4	4	4	8	0	0	0	0	0	0	0	0	0	**12**
QLD	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
SA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
TAS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
VIC	4	3	7	0	2	2	0	0	0	0	0	0	0	0	0	**9**
WA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
ACT	4	10	14	7	18	25	0	0	0	0	0	0	0	0	0	**39**
NT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
External Territories	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Overseas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Total	**10**	**15**	**25**	**11**	**24**	**35**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**60**

Table 13: Australian Public Service Act ongoing employees current report period (2025–26)

Level	Man/ Male	Man/ Male	Man/ Male	Woman/ Female	Woman/ Female	Woman/ Female	Non-binary	Non-binary	Non-binary	Prefers not to answer	Prefers not to answer	Prefers not to answer	Uses a different term	Uses a different term	Uses a different term	Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
SES 3	4	0	4	3	0	3	0	0	0	0	0	0	0	0	0	**7**
SES 2	12	1	13	14	2	16	0	0	0	0	0	0	0	0	0	**29**
SES 1	45	3	48	34	7	41	0	0	0	0	0	0	0	0	0	**89**
EL 2	133	5	138	126	36	162	0	0	0	0	0	0	0	0	0	**300**
EL 1	239	13	252	261	51	312	0	0	0	0	0	0	0	0	0	**564**
APS 6	171	6	177	185	29	214	0	0	0	0	0	0	0	0	0	**391**
APS 5	79	5	84	84	11	95	0	0	0	0	0	0	0	0	0	**179**
APS 4	10	0	10	17	5	22	0	0	0	0	0	0	0	0	0	**32**
APS 3	15	0	15	21	0	21	0	0	0	0	0	0	0	0	0	**36**
APS 1-2	2	2	4	0	0	0	0	0	0	0	0	0	0	0	0	**4**
Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Total	**710**	**35**	**745**	**745**	**141**	**886**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**1,632**

Note: Total figures may not equal the sum of the breakdown figures due to privacy protections designed to prevent the identification of individual employees.

Table 14: Australian Public Service Act ongoing employees previous report period (2024–25)

Level	Man/ Male Full-time	Man/ Male Part-time	Man/ Male Total	Woman/ Female Full-time	Woman/ Female Part-time	Woman/ Female Total	Non-binary Full-time	Non-binary Part-time	Non-binary Total	Prefers not to answer Full-time	Prefers not to answer Part-time	Prefers not to answer Total	Uses a different term Full-time	Uses a different term Part-time	Uses a different term Total	Total
SES 3	3	0	3	5	0	5	0	0	0	0	0	0	0	0	0	**8**
SES 2	9	2	11	14	0	14	0	0	0	0	0	0	0	0	0	**25**
SES 1	41	2	43	39	4	43	0	0	0	0	0	0	0	0	0	**86**
EL 2	128	12	140	121	31	152	0	0	0	0	0	0	0	0	0	**292**
EL 1	238	14	252	236	43	279	0	0	0	0	0	0	0	0	0	**531**
APS 6	186	8	194	181	25	206	0	0	0	0	0	0	0	0	0	**400**
APS 5	68	3	71	82	12	94	0	0	0	0	0	0	0	0	0	**165**
APS 4	13	0	13	15	3	18	0	0	0	0	0	0	0	0	0	**31**
APS 3	24	1	25	23	2	25	0	0	0	0	0	0	0	0	0	**50**
APS 1-2	3	1	4	1	1	2	0	0	0	0	0	0	0	0	0	**6**
Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Total	**713**	**43**	**756**	**717**	**121**	**838**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**1,594**

Table 15: Australian Public Service Act non-ongoing employees current report period (2025–26)

Level	Man/ Male	Man/ Male	Man/ Male	Woman/ Female	Woman/ Female	Woman/ Female	Non-binary	Non-binary	Non-binary	Prefers not to answer	Prefers not to answer	Prefers not to answer	Uses a different term	Uses a different term	Uses a different term	Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
SES 3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
SES 2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
SES 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
EL 2	2	3	5	2	4	6	0	0	0	0	0	0	0	0	0	**11**
EL 1	2	1	3	1	1	2	0	0	0	0	0	0	0	0	0	**5**
APS 6	3	1	4	1	0	1	0	0	0	0	0	0	0	0	0	**5**
APS 5	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	**1**
APS 4	0	0	0	1	1	2	0	0	0	0	0	0	0	0	0	**2**
APS 3	0	1	1	0	3	3	0	0	0	0	0	0	0	0	0	**4**
APS 1-2	0	11	11	0	13	13	0	0	0	0	0	0	0	0	0	**24**
Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Total	**7**	**17**	**24**	**6**	**22**	**28**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**52**

Table 16: Australian Public Service Act non-ongoing employees previous report period (2024–25)

Level	Man/ Male	Man/ Male	Man/ Male	Woman/ Female	Woman/ Female	Woman/ Female	Non-binary	Non-binary	Non-binary	Prefers not to answer	Prefers not to answer	Prefers not to answer	Uses a different term	Uses a different term	Uses a different term	Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
SES 3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
SES 2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
SES 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
EL 2	0	4	4	1	2	3	0	0	0	0	0	0	0	0	0	**7**
EL 1	5	1	6	4	2	6	0	0	0	0	0	0	0	0	0	**12**
APS 6	1	0	1	4	1	5	0	0	0	0	0	0	0	0	0	**6**
APS 5	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	**1**
APS 4	4	0	4	1	1	2	0	0	0	0	0	0	0	0	0	**6**
APS 3	0	1	1	1	3	4	0	0	0	0	0	0	0	0	0	**5**
APS 1-2	0	8	8	0	15	15	0	0	0	0	0	0	0	0	0	**23**
Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Total	**10**	**15**	**25**	**11**	**24**	**35**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**60**

Table 17: Australian Public Service Act employees by full-time and part-time status current report period (2025–26)

Level	Ongoing			Non-Ongoing			Total
	Full-time	Part-time	Total Ongoing	Full-time	Part-time	Total Non-Ongoing	
SES 3	7	0	7	0	0	0	**7**
SES 2	26	3	29	0	0	0	**29**
SES 1	79	10	89	0	0	0	**89**
EL 2	259	41	300	4	7	11	**311**
EL 1	501	64	565	3	2	5	**570**
APS 6	356	35	391	4	1	5	**396**
APS 5	163	16	179	1	0	1	**180**
APS 4	27	5	32	1	1	2	**34**
APS 3	36	0	36	0	4	4	**40**
APS 1-2	2	2	4	0	24	24	**28**
Other	0	0	0	0	0	0	**0**
Total	**1,456**	**176**	**1,632**	**13**	**39**	**52**	**1,684**

Table 18: Australian Public Service Act employees by full-time and part-time status previous report period (2024–25)

Level	Ongoing			Non-Ongoing			Total
	Full-time	Part-time	Total Ongoing	Full-time	Part-time	Total Non-Ongoing	
SES 3	8	0	8	0	0	0	**8**
SES 2	23	2	25	0	0	0	**25**
SES 1	80	6	86	0	0	0	**86**
EL 2	249	43	292	1	6	7	**299**
EL 1	474	57	531	9	3	12	**543**
APS 6	367	33	400	5	1	6	**406**
APS 5	150	15	165	0	1	1	**166**
APS 4	28	3	31	5	1	6	**37**
APS 3	47	3	50	1	4	5	**55**
APS 1-2	4	2	6	0	23	23	**29**
Other	0	0	0	0	0	0	**0**
Total	**1,430**	**164**	**1,594**	**21**	**39**	**60**	**1,654**

Table 19: Australian Public Service Act employment type by location current report period (2025–26)

State/ Territory	Ongoing	Non-Ongoing	Total
NSW	206	6	**212**
QLD	5	0	**5**
SA	4	0	**4**
TAS	1	0	**1**
VIC	237	9	**246**
WA	13	1	**14**
ACT	1,155	36	**1,191**
NT	1	0	**1**
External Territories	0	0	**0**
Overseas	10	0	**10**
Total	**1,632**	**52**	**1,684**

Table 20: Australian Public Service Act employment type by location previous report period (2024–25)

State/ Territory	Ongoing	Non-Ongoing	Total
NSW	212	12	**224**
QLD	0	0	**0**
SA	1	0	**1**
TAS	2	0	**2**
VIC	208	9	**217**
WA	12	0	**12**
ACT	1,145	39	**1,184**
NT	0	0	**0**
External Territories	0	0	**0**
Overseas	14	0	**14**
Total	**1,594**	**60**	**1,654**

Table 21: Australian Public Service Act Indigenous employment current report period (2025–26)

Employment type	Total
Ongoing	18
Non-Ongoing	0
Total	**18**

Table 22: Australian Public Service Act Indigenous employment previous report period (2024–25)

Employment type	Total
Ongoing	19
Non-Ongoing	0
Total	**19**

Workplace relations

Remuneration and employment conditions for non-SES employees are determined under the enterprise agreement. Remuneration and employment conditions for SES employees are determined by the Secretary under subsection 24(1) of the *Public Service Act 1999*. The enterprise agreement and SES determinations operate in conjunction with Commonwealth legislation and are supported by internal policies and guidelines. Treasury occasionally uses individual flexibility arrangements for non-SES employees to secure specific expertise or specialist skills critical to business needs.

Treasury's Workplace Relations Committee provides a structured forum for consultation on matters that affect employees, including the working environment and the implementation and operation of the enterprise agreement, as these affect employment terms and conditions. The Workplace Relations Committee's membership includes representatives from Treasury's employee diversity networks and the Community and Public Sector Union. This ensures a range of voices when developing workplace policy. This collaborative approach supports a positive organisational culture, reflected in Treasury's consistently strong APS Census results. Treasury also consults with employees and the Community and Public Sector Union outside of the Workplace Relations Committee forum on organisational changes.

Senior Executive Service remuneration

Treasury provides an SES remuneration package in recognition of all hours worked, including any reasonable additional hours. SES staff are not entitled to overtime payments, penalty rates or time off in lieu.

Band 1 and Band 2 SES employees received a 2.9 per cent salary increase and Band 3 SES employees received a 2.4 per cent salary increase, effective 12 March 2026. These salary increases were made in accordance with the government's *Public Sector Workplace Relations Policy 2023*.

Individual determinations made under subsection 24(1) of the *Public Service Act 1999* are supported by a remuneration determination that establishes pay levels within each SES classification. SES employees advance through relevant pay levels for their classification based on performance as assessed under the SES Performance Leadership Framework. Treasury does not offer performance pay.

Table 23: Australian Public Service Act employment salary ranges by SES classification level (minimum/maximum) current report period (2025–26)

Level	Minimum salary	Maximum salary
SES 3	$385,346	$451,300
SES 2	$298,803	$349,732
SES 1	$243,795	$283,345

Non-SES remuneration

Non-SES employees received a 3.4 per cent salary increase effective 12 March 2026 in accordance with the enterprise agreement.

The enterprise agreement establishes pay levels within each APS and Executive Level classification. Non-SES employees advance through relevant pay levels for their classification based on performance as assessed under the Treasury Performance Development System.

For Treasury employees at overseas posts, Treasury is also guided by the conditions of service that are maintained by the Department of Foreign Affairs and Trade.

Table 24: Non-SES remuneration by classification level (minimum/maximum) current report period (2025–26)

Level	Minimum salary	Maximum salary
EL2	$167,708	$192,469
EL1	$137,301	$157,498
APS6	$105,260	$127,521
APS5	$93,312	$99,287
APS4	$82,995	$87,337
APS3	$74,307	$78,645
APS2	$65,619	$69,966
APS1	$57,497	$61,822
Other	$0	$0

Employment arrangements

Table 25: Australian Public Service Act employment arrangements current report period (2025–26)

Arrangement title	SES	Non-SES	Total
Enterprise agreement	0	1,581	**1,581**
Section 24(1) Determination	103	0	**103**
Australian Workplace Agreement	0	0	**0**
Individual Flexibility Arrangement Note	0	8	**8**
Total	**103**	**1,581**	**1,684**

Note: Employees with an individual flexibility arrangement in place are employed under Treasury's enterprise agreement and included in the 1,581 employees provided in the table for that purpose. The 8 employees with an individual flexibility arrangement are not separately counted for the purposes of the total provided in the table.

Procurement

Performance against the Commonwealth Procurement Rules

Treasury's procurement activities were undertaken in accordance with the *Public Governance, Performance and Accountability Act 2013*, the Commonwealth Procurement Rules, and Procurement Connected Policies. Treasury applies these requirements through its internal financial and procurement policies.

Information on all Treasury contracts awarded with a value of $10,000 (including GST) or more is available on AusTender at tenders.gov.au.

Exempt contracts

No contracts valued at more than $10,000 (including GST) or standing offers were exempted by the Secretary from being published on AusTender on the basis that it would disclose exempt matters under the *Freedom of Information Act 1982.*

Australian National Audit Office access clauses

Table 26 shows contracts valued at $100,000 or more (including GST) which were entered into during 2025–26 and did not have provision for the Auditor-General to access the contractor's premises

Table 26: Australian National Audit Office Access contract details 2025–26

Name of contractor	Purpose	Total contract value $ (inc. GST)	Reason for not including access clauses
Quark Software Inc	Software	$140,000	Standard industry practice to enter into supplier terms and conditions
Garnaut Global Australia Pty Ltd	Garnaut Global database subscription	$248,600	Standard industry practice to enter into supplier terms and conditions
LEXISNEXIS	Legal Information Services Database Subscription	$395,150	Standard industry practice to enter into supplier terms and conditions
Bloomberg Australia Pty Ltd	Global macroeconomic and financial markets data subscription	$431,917	Standard industry practice to enter into supplier terms and conditions

Initiatives to support small and medium-sized enterprises and Indigenous business

Treasury supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website at Statistics on Australian Government Procurement Contracts.

Treasury has a policy of mandatory use of the Commonwealth Contracting Suite for procurements up to $200,000 (including GST) and the use of credit cards as a payment mechanism for low value procurements under $10,000 (including GST).

Treasury is eInvoice enabled for receipt of supplier invoices and pays eInvoices in accordance with the Australian Government Supplier Pay On-Time or Pay Interest Policy. Treasury recognises the importance of ensuring that small businesses are paid on time. Further information on payment times can be found at treasury.gov.au.

Treasury supports the Indigenous Procurement Policy to significantly increase the rate of purchasing from Indigenous enterprises. The portfolio has met its purchasing target set by government to ensure Indigenous employment and business opportunities continue to grow. For more information, please refer to the National Indigenous Australians Agency website at niaa.gov.au.

Consultancy expenditure

Treasury engages consultants where specialist skills are required but are not available in-house. Consultancies are individuals, partnerships or corporations that provide professional, independent, expert advice and services.

Consultants are selected and engaged in accordance with the *Public Governance, Performance and Accountability Act 2013*, Commonwealth Procurement Rules and Treasury's internal policies.

During 2025–26, Treasury entered into 42 new consultancy contracts involving total actual expenditure of $1,667,504 (including GST). In addition, 33 ongoing consultancy contracts were active during the period, involving total actual expenditure of $2,430,053 (including GST).

Information on the value of individual contracts and consultancies is available on the AusTender website at tenders.gov.au.

Table 27: Expenditure on reportable consultancy contracts current report period (2025–26)

Reportable consultancy contracts 2025–26	Number	Expenditure $ (inc. GST)
New contracts entered into during the reporting period	42	$1,667,504
Ongoing contracts entered into during a previous reporting period	33	$2,430,053
Total	**75**	**$4,097,557**

Table 28: Expenditure on reportable non-consultancy contracts current report period (2025–26)

Reportable non-consultancy contracts 2025–26	Number	Expenditure $ (inc. GST)
New contracts entered into during the reporting period	166	$28,718,697
Ongoing contracts entered into during a previous reporting period	309	$51,273,131
Total	**475**	**$79,991,828**

Table 29: Organisations receiving a share of reportable consultancy contract expenditure current report period (2025–26)

Name of Organisation	ABN	Expenditure $ (inc. GST)	Proportion of 2025–26 total spend (%)
Excelium Consulting Pty Ltd	80651479971	$810,282	20
Sententia Consulting	85639580662	$414,958	10
University of South Australia	37191313308	$333,149	8
KPMG	51194660183	$252,899	6
KordaMentha Pty Ltd	36220576038	$137,500	3

Note: In accordance with Department of Finance guidance, this table includes only those organisations who received the 5 largest shares of expenditure.

Table 30: Organisations receiving a share of reportable non-consultancy contract expenditure current report period (2025–26)

Name of Organisation	ABN	Expenditure $ (inc. GST)	Proportion of 2025–26 total spend (%)
Jones Lang LaSalle	69008585260	$8,702,017	11
Universal McCann	19002966001	$6,027,489	8
A23 Pty Ltd	81612329781	$4,504,766	6
Data 3 Limited	31010545267	$3,360,560	4
Investa Asset Management Pty Ltd	16089301922	$3,067,521	4

Note: In accordance with Department of Finance guidance, this table includes only those organisations who received the 5 largest shares of expenditure.

Asset management

Management of Treasury's assets is governed by the Accountable Authority Instructions on asset management and aligns with government best practice. Treasury's asset management framework includes an asset register, an asset management plan and a capital management plan. The asset register records details of all assets held by Treasury. An annual stocktake of assets keeps the register accurate and up to date. Treasury's fixed assets include office fit-out, right-of-use assets, purchased and internally developed software, computer equipment, infrastructure and library materials.

Grants

Information on grants awarded by Treasury for 2025–26 is available on GrantConnect at grants.gov.au.

Executive remuneration

Introduction

The categories of officials covered by the disclosures include:

- key management personnel
- senior executive remuneration
- other highly paid staff.

Remuneration policies and practices

The Secretary's remuneration is determined by the Remuneration Tribunal. For SES employees, remuneration and employment conditions are determined under subsection 24(1) of the *Public Service Act 1999*. Further information on SES remuneration is available in the workplace relations section.

Key management personnel

During the reporting period ended 30 June 2026, Treasury had 9 executives who met the definition of key management personnel. Their names are provided and term lengths summarised in Table 31.

Table 31: Key management personnel 2025–26

Name	Position	Term as key management personnel
Jenny Wilkinson PSM	Secretary	Full year
Diane Brown	Deputy Secretary	Full year
James Kelly	Deputy Secretary	Full year
Damien White	Deputy Secretary	Full year
Dr Angelia Grant	Deputy Secretary	Full year
Katrina Di Marco	Deputy Secretary	Full year
Benjamin Rimmer	Deputy Secretary	Part year
Victoria Anderson	Deputy Secretary	Part year
Kerren Crosthwaite	Deputy Secretary	Part year

Table 32: Key management personnel remuneration 2025–26

Name	Position title	Short-term benefits ($)			Post-employment benefits ($)	Other long-term benefits ($)		Termination benefits ($)	Total remuneration ($)[5]
		Base salary[1]	Bonuses	Other benefits and allowances[2]	Superannuation contributions[3]	Long service leave[4]	Other long-term benefits		
Jenny Wilkinson PSM	Secretary	994,328	0	1,931	32,810	49,320	0	0	1,078,389
Diane Brown	Deputy Secretary	423,471	0	0	67,397	18,236	0	0	509,104
James Kelly	Deputy Secretary	429,234	0	1,931	65,605	22,633	0	0	519,403
Damien White	Deputy Secretary	381,482	0	1,931	70,242	26,094	0	0	479,749
Dr Angelia Grant	Deputy Secretary	417,364	0	1,931	70,948	36,828	0	0	527,071
Katrina Di Marco	Deputy Secretary	429,585	0	1,931	65,425	24,027	0	0	520,968
Bejamin Rimmer	Deputy Secretary	378,989	0	59,607	23,964	9,356	0	0	471,916
Victoria Anderson	Deputy Secretary	173,825	0	844	33,003	4,220	0	0	211,892
Kerren Crosthwaite	Acting Deputy Secretary	104,413	0	474	15,728	2,251	0	0	122,866

1) Base salary includes salary paid and accrued, salary paid while on personal leave, annual leave accrued and higher duties allowances.
2) Other benefits and allowances refers to non-monetary benefits such as provision of a car park, travel allowances and living away from home allowances.
3) For individuals in a defined contribution scheme (for example, Public Sector Superannuation accumulation plan (PSSap) and super choice), superannuation includes superannuation contribution amounts. For individuals in a defined benefits scheme (for example, Commonwealth Super Scheme (CSS) and Public Sector Superannuation (PSS)), superannuation includes the relevant Notional Employer Contribution Rate and Employer Productivity Superannuation Contribution.
4) Long service leave comprises the amount of leave accrued and taken in the period.
5) The table includes the part year impact of key management personnel who either commenced or separated during the year.

During the reporting period ended 30 June 2026, Treasury had 141 senior executives. Table 33 provides the average remuneration by band for senior executives during the reporting period.

Table 33: Senior executive remuneration 2025–26

		Short-term benefits ($)			Post-employment benefits ($)	Other long-term benefits ($)		Termination benefits ($)	Total remuneration ($)
Total remuneration bands	Number of senior executives[1]	Average base salary[2]	Average bonuses	Average other benefits and allowances[3]	Average superannuation contributions	Average long service leave[4]	Average other long-term benefits	Average termination benefits	Average total remuneration[5]
$0 – $220,000	46	78,277	0	3,023	13,964	4,040	0	0	99,304
$220,001 – $245,000	6	197,689	0	329	26,938	5,315	0	0	230,271
$245,001 – $270,000	6	215,339	0	688	34,536	4,329	0	0	254,892
$270,001 – $295,000	10	237,765	0	708	38,978	7,798	0	0	285,249
$295,001 – $320,000	23	256,709	0	721	40,503	9,910	0	0	307,843
$320,001 – $345,000	15	276,989	0	1,298	45,181	8,298	0	0	331,766
$345,001 – $370,000	13	294,541	0	203	53,516	5,978	0	0	354,238
$370,001 – $395,000	5	311,929	0	562	52,673	13,607	0	0	378,771
$395,001 – $420,000	6	300,656	0	868	52,808	4,150	0	41,378	399,860

Total remuneration bands	Number of senior executives[1]	Short-term benefits ($)			Post-employment benefits ($)	Other long-term benefits ($)		Termination benefits ($)	Total remuneration ($)
		Average base salary[2]	Average bonuses	Average other benefits and allowances[3]	Average superannuation contributions	Average long service leave[4]	Average other long-term benefits	Average termination benefits	Average total remuneration[5]
$420,001 - $445,000	3	358,085	0	683	59,818	13,679	0	0	432,265
$445,001 - $470,000	1	243,584	0	155,220	48,176	1,977	0	0	448,957
$470,001 - $495,000	1	204,776	0	250,321	35,357	3,143	0	0	493,597
$495,001 - $520,000	1	243,624	0	201,763	45,497	4,247	0	0	495,131
$520,001 - $545,000	1	262,830	0	209,864	48,470	5,891	0	0	527,055
$545,001 - $570,000	1	274,173	0	247,347	42,079	4,223	0	0	567,822
$645,001 - $670,000	2	282,956	0	322,165	39,967	6,827	0	0	651,915
$745,001 - $770,000	1	264,675	0	438,404	42,467	6,476	0	0	752,022

1) Includes acting arrangements greater than 3 months.
2) Base salary includes salary paid and accrued, salary paid while on personal leave, annual leave accrued and higher duties allowances.
3) Includes, but is not limited to, allowances and benefits received while on overseas post.
4) Long service leave comprises the amount of leave accrued and taken in the period.
5) The table includes the part year impact of senior executives who either commenced or separated during the year.

Table 34 provides the average remuneration by band for other highly paid staff during the reporting period.

Table 34: Other highly paid staff remuneration 2025–26

Total remuneration bands	Number of other highly paid staff	Short-term benefits ($)			Post-employment benefits ($)	Other long-term benefits ($)		Termination benefits ($)	Total remuneration ($)
		Average base salary[1]	Average bonuses	Average other benefits and allowances[2]	Average superannuation contributions	Average long service leave[3]	Average other long-term benefits	Average termination benefits	Average total remuneration
$295,001 - $320,000	1	271,830	0	1,694	21,000	7,666	0	0	302,191
$320,001 - $345,000	1	104,532	0	421	32,258	6,498	0	186,772	330,481
$395,001 - $420,000	1	170,000	0	208,254	23,714	4,473	0	0	406,440
$495,001 - $520,000	1	185,088	0	297,800	27,491	6,051	0	0	516,431
$520,001 - $545,000	1	212,226	0	296,257	29,280	7,041	0	0	544,804
$620,001 - $645,000	1	223,509	0	373,486	29,827	3,981	0	0	630,803

1) Base salary includes salary paid and accrued, salary paid while on personal leave, annual leave accrued and higher duties allowances.

2) Includes, but is not limited to, allowances and benefits received while on overseas post.

3) Long service leave comprises the amount of leave accrued and taken in the period.

Part 4 – Financial statements

Independent auditor's report





INDEPENDENT AUDITOR'S REPORT

To the Treasurer

Opinion

In my opinion, the financial statements of the Department of the Treasury (the Entity) for the year ended 30 June 2026:

(a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and

(b) present fairly the financial position of the Entity as at 30 June 2026 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2026 and for the year then ended:

- Statement by the Accountable Authority and Chief Finance Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Administered Schedule of Comprehensive Income;
- Administered Schedule of Assets and Liabilities;
- Administered Reconciliation Schedule;
- Administered Cash Flow Statement; and
- Notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and their delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

GPO Box 707, Canberra ACT 2601
38 Sydney Avenue, Forrest ACT 2603
Phone (02) 6203 7300

Key audit matter	How the audit addressed the matter
Accuracy and Occurrence of Grants Expense *Refer to Note 6.1C Special Appropriations* The Entity administers a number of grants including grant payments to State and Territory Governments under the *Federal Financial Relations Act 2009* (the Act). For the year ended 30 June 2026, the value of grants paid by the Entity under the Act was $138.9 billion (2025: $128.7 billion). Accuracy and occurrence of grants expense is a key audit matter due to: • The significant value of the grants paid and the complex eligibility criteria set out in agreements for a number of the grant programs; and • The Entity's reliance on other Australian Government entities and State and Territory Governments to provide information to support payments and confirm that eligibility criteria have been met.	The audit procedures I applied to address this key audit matter included: • Tested, on a sample basis, the design, implementation and operating effectiveness of controls within other Australian Government entities to support the information provided to the Entity that substantiates the eligibility and grant payment amounts; and • Tested, on a sample basis, the accuracy and occurrence of payments processed by the Entity by testing the design, implementation and operating effectiveness of controls such as delegate sign off for all payments, and agreed payments to supporting documentation.

Key audit matter	How the audit addressed the matter
Completeness and Valuation of the Disaster Recovery Funding Arrangements (DRFA) Provision *Refer to Note 5.4 Provisions* The Entity manages payments to State and Territory Governments to assist with relief and recovery costs following a natural disaster. This is administered in accordance with the Disaster Recovery Funding Arrangements 2018. These payments apply to declared disaster events where a multi-agency response is required, and state expenditure exceeds a specified threshold. The completeness and valuation of the provision is a key audit matter due to the significant actuarial assumptions and judgements involved in estimating the provision. The significant judgements relate to the future value and timing of payments under disaster arrangements. Also, due to the nature of disasters, there is uncertainty at the time of the disaster of the estimated costs to restore State and Territory infrastructure to its original condition. For the year ended 30 June 2026, the provision for costs associated with natural disaster arrangements was valued at $12 billion (2025: $16.6 billion).	The audit procedures I applied to address this key audit matter included: • Reviewed the effectiveness of processes to confirm eligibility of costs estimated under the DRFA arrangements; • Assessed the accuracy and completeness of estimates provided by State and Territory governments and other key inputs into the actuarial model; • Evaluated the appropriateness of the methodology used to determine provision including the reasonableness of significant assumptions used by the actuary; and • Evaluated the appropriateness of disclosures for the significant assumptions applied and of the uncertainties that impact the key assumptions.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Secretary is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the rules made under the Act. The Secretary is also responsible for such internal control as the Secretary determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Secretary is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Secretary is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with the Accountable Authority, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Australian National Audit Office



Ann MacNeill
Executive Director
Delegate of the Auditor-General
Canberra
17 September 2026

Statement by the Secretary and Chief Finance Officer

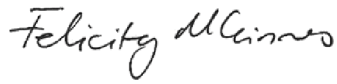
In our opinion, the attached financial statements for the year ended 30 June 2026 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe the Treasury will be able to pay its debts as and when they fall due.



Jenny Wilkinson PSM
Secretary to the Treasury

17 September 2026



Felicity McGinnes
Chief Finance Officer

17 September 2026

Statement of Comprehensive Income

for the period ended 30 June 2026

	Notes	2026 $'000	2025 $'000	Original Budget $'000
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	302,294	291,904	240,012
Suppliers	1.1B	78,047	99,626	106,575
Grants	1.1C	500	500	555
Finance costs	1.1D	1,937	1,943	1,724
Depreciation and amortisation	2.2	20,406	20,827	19,069
Write-down and impairment of assets		-	652	-
Total expenses		**403,184**	415,452	367,935
Own-source income				
Own-source revenue				
Revenue from contracts with customers	1.2A	13,974	10,106	10,251
Other revenue	1.2B	8,493	5,700	4,905
Total own-source revenue		**22,467**	15,806	15,156
Gains				
Other gains	1.2C	15	16	-
Total gains		**15**	16	-
Total own-source income		**22,482**	15,822	15,156
Net cost of services		**(380,702)**	(399,630)	(352,779)
Revenue from Government	1.2D	381,151	398,518	344,256
Surplus/(Deficit)		**449**	(1,112)	(8,523)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation reserve		-	8	-
Total Comprehensive income / (loss)		**449**	(1,104)	(8,523)

The above statement should be read in conjunction with the accompanying notes.

Statement of Financial Position

as at 30 June 2026

	Notes	2026 $'000	2025 $'000	Original Budget $'000
ASSETS				
Financial assets				
Cash and cash equivalents	2.1A	23,545	749	1,839
Trade and other receivables	2.1B	133,500	139,904	120,769
Total financial assets		**157,045**	140,653	122,608
Non-financial assets				
Buildings	2.2	113,066	127,636	103,558
Plant and equipment	2.2	7,173	8,200	8,074
Intangibles	2.2	278	1,206	993
Prepayments		10,537	7,054	7,462
Total non-financial assets		**131,054**	144,096	120,087
Total assets		**288,099**	284,749	242,695
LIABILITIES				
Payables				
Employee benefits		10,735	10,471	6,886
Suppliers		5,375	10,239	10,197
Unearned income		6,046	6,049	3,512
Total payables		**22,156**	26,759	20,595
Interest bearing liabilities				
Leases	2.3	110,884	121,990	102,446
Total interest bearing liabilities		**110,884**	121,990	102,446
Provisions				
Employee provisions	3.1	91,413	85,521	83,785
Other provisions	2.4	6,829	6,540	6,204
Total provisions		**98,242**	92,061	89,989
Total liabilities		**231,282**	240,810	213,030
Net assets		**56,817**	43,939	29,665
EQUITY				
Asset revaluation reserve		18,335	18,335	18,327
Contributed equity		134,412	130,852	134,715
Retained earnings		(95,930)	(105,248)	(123,377)
Total equity		**56,817**	43,939	29,665

The above statement should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

for the period ended 30 June 2026

	Notes	2026 $'000	2025 $'000	Original Budget $'000
CONTRIBUTED EQUITY				
Opening balance		**130,852**	127,618	131,155
Distribution to owners				
Lapsing Appropriation - Equity Injection		-	(303)	-
Contributions by owners				
Departmental capital budget appropriation		3,560	3,537	3,560
Total transactions with owners		**3,560**	3,234	3,560
Closing balance as at 30 June		**134,412**	130,852	134,715
RETAINED EARNINGS				
Opening balance		**(105,248)**	(104,136)	(114,854)
Comprehensive income				
Surplus/(Deficit) for the period		449	(1,112)	(8,523)
Total comprehensive income		**449**	(1,112)	(8,523)
Restructuring	8.2	8,869	-	-
Total transactions with owners		**8,869**	-	-
Closing balance as at 30 June		**(95,930)**	(105,248)	(123,377)
ASSET REVALUATION RESERVE				
Opening balance		**18,335**	18,327	18,327
Comprehensive income				
Changes in provision for restoration		-	8	-
Total comprehensive income		**-**	8	-
Closing balance as at 30 June		**18,335**	18,335	18,327

The above statement should be read in conjunction with the accompanying notes.

Accounting Policy
Equity injections
Amounts appropriated which are designated as 'equity injections' (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in the year appropriated.

Cash Flow Statement

for the period ended 30 June 2026

	2026 $'000	2025 $'000	Original Budget $'000
OPERATING ACTIVITIES			
Cash received			
Appropriations	422,695	410,646	355,932
Sale of goods and rendering of services	7,050	9,749	10,251
GST received	7,286	9,427	-
Other	17,083	15,124	772
Total cash received	**454,114**	444,946	366,955
Cash used			
Employees	303,952	294,316	247,850
Suppliers	82,358	95,563	106,280
Interest payments on lease liabilities	1,648	1,679	1,724
Grants	500	500	555
Section 74 receipts transferred to/(from) OPA	31,999	33,812	-
GST paid	7,418	9,230	-
Total cash used	**427,875**	435,100	356,409
Net cash from/(used by) operating activities	**26,239**	9,846	10,546
INVESTING ACTIVITIES			
Cash received			
Proceeds from sales of plant and equipment	15	16	-
Total cash received	**15**	16	-
Cash used			
Purchase of buildings	996	3,005	-
Purchase of plant and equipment	1,542	269	3,560
Total cash used	**2,538**	3,274	3,560
Net cash from/(used by) investing activities	**(2,523)**	(3,258)	(3,560)
FINANCING ACTIVITIES			
Cash received			
Contributed equity - departmental capital budget	2,113	3,164	3,560
Restructuring - section 75 cash transferred in	9,328	-	-
Total cash received	**11,441**	3,164	3,560
Cash used			
Principal payments of lease liabilities	12,361	10,842	10,546
Total cash used	**12,361**	10,842	10,546
Net cash from/(used by) financing activities	**(920)**	(7,678)	(6,986)
Net increase/(decrease) in cash held	22,796	(1,090)	-
Cash at the beginning of the reporting period	**749**	1,839	1,839
Cash at the end of the reporting period	**23,545**	749	1,839

The above statement should be read in conjunction with the accompanying notes.

Budget Variance Reporting

for the period ended 30 June 2026

The table below provides explanations for major variances between the agency's original budget estimates, as published in the 2025-26 Portfolio Budget Statements (PBS), and the actual financial performance and position for the year ended 30 June 2026. The budget is not audited.

Variances are considered 'major' if they are core to the agency's activities and based on the following criteria:

- the variance between budget and actual is greater than +/- 10% and $1 million of the original budget for a line item; and
- an item is below this threshold but is considered important for the reader's understanding, or relevant to an assessment of the discharge of accountability and to an analysis of the department's performance.

Variances relating to cash flows are a result of the factors explained for net cost of services, assets or liabilities variations. Unless otherwise individually significant, no additional commentary has been included.

The nature and timing of the Commonwealth's budget process can also contribute to variances.

Budget Variance explanation	Affected statements and line items
Total expenses were higher than Budget primarily due to: - an increase of the department's permanent workforce as a result of Machinery of Government changes and additional funding provided through the Portfolio Additional Estimates and Portfolio Supplementary Additional Estimates processes; - offset by a reduction in supplier costs across the department due primarily to decreased spending on consultants and contractors.	Statement of Comprehensive Income - Employee benefits - Suppliers Statement of Financial Position - Prepayments - Employee provisions - Employee benefits payable - Suppliers payable Cash Flow Statement - Employees - Suppliers
Total own-source income was higher than Budget due to: - the Machinery of Government change that transferred the Australian Building Codes Board (ABCB) function to Treasury and related own-source income from both external parties and other state and territory government agencies; and - an increase in demand driven actuarial and project evaluation services.	Statement of Comprehensive Income - Revenue from contracts with customers Other revenue Statement of Financial Position - Unearned income Cash Flow Statement - Sale of goods and rendering of services - Other operating cash received
Additional Departmental Appropriations were received as part of the Portfolio Additional Estimates (Appropriation Act No. 3), Portfolio Supplementary Additional Estimates (Appropriation Act No. 5), and Machinery of Government changes that transferred appropriations to Treasury. The additional funding received remains partially unspent at year-end, driving a higher trade and other receivables amount at year-end compared to Budget.	Statement of Comprehensive Income - Revenue from Government Statement of Financial Position - Trade and other receivables Cash Flow Statement - Appropriations
Cash and cash equivalents was higher than Budget due to: - the Machinery of Government change that transferred the ABCB function to Treasury including the cash held in the ABCB Special Account; and - an increase in the Departmental operating bank account balance due to the timing of employee payments.	Statement of Financial Position - Cash and cash equivalents - Retained earnings Cash Flow Statement Restructuring section 75 cash transferred in
Total non-financial assets were higher than Budget primarily due to new and extended leases signed in the prior year after the Budget was set, creating new and increased right-of-use lease assets, which were not anticipated in the Budget.	Statement of Financial Position - Buildings Cash Flow Statement - Purchase of buildings - Principal payments of lease liabilities

Administered Schedule of Comprehensive Income

for the period ended 30 June 2026

	Notes	2026 $'000	2025 $'000	Original Budget $'000
NET COST OF SERVICES				
Expenses				
Grants	4.1A	**220,933,717**	207,992,798	215,163,695
Finance costs	4.1B	**1,004,742**	1,070,554	966,503
Payments to corporate Commonwealth entities	4.1C	**555,074**	336,829	219,818
Suppliers and increase in financial guarantees	4.1D	**91,112**	44,194	54,589
Concessional loan discount	4.1E	**2,963,717**	254,104	-
Total expenses		**225,548,362**	209,698,479	216,404,605
Income				
Revenue				
Revenue from contracts with customers	4.2A	**718,509**	616,400	693,034
Interest	4.2B	**741,928**	788,733	802,473
Special Account revenue from government agencies	4.2C	**717,914**	724,133	202,710
Taxation and other revenue	4.2D	**228,599**	101,402	214,506
Total revenue		**2,406,950**	2,230,668	1,912,723
Gains				
Foreign exchange		**287,544**	7,894	182,926
Gains	4.2E	**37,717**	341,680	17,903
Total gains		**325,261**	349,574	200,829
Total income		**2,732,211**	2,580,242	2,113,552
Net (cost of)/contribution by services		**(222,816,151)**	(207,118,237)	(214,291,053)
Surplus/(Deficit)		**(222,816,151)**	(207,118,237)	(214,291,053)
OTHER COMPREHENSIVE INCOME				
Items subject to subsequent reclassification to net cost of services				
Gains/(losses) on financial assets at fair value through other comprehensive income		**1,343,328**	(548,212)	-
Total comprehensive income		**1,343,328**	(548,212)	-
Total comprehensive income/(loss)		**(221,472,823)**	(207,666,449)	(214,291,053)

The above statement should be read in conjunction with the accompanying notes.

Administered Schedule of Assets and Liabilities

as at 30 June 2026

	Notes	2026 $'000	2025 $'000	Original Budget $'000
ASSETS				
Financial assets				
Cash and cash equivalents	5.1A	**1,204,217**	1,410,502	20,759
Loans and other receivables	5.1B	**5,011,088**	3,701,102	7,651,707
Investments	5.1C	**32,248,426**	32,668,162	33,128,219
Total financial assets		**38,463,731**	37,779,766	40,800,685
Total assets administered on behalf of Government		**38,463,731**	37,779,766	40,800,685
LIABILITIES				
Payables				
Grants	5.2A	**693,960**	1,968,716	35,020
IMF and other payables	5.2B	**18,808,336**	20,308,281	19,377,665
Financial guarantees	5.2C	**475,314**	524,257	615,838
Total payables		**19,977,610**	22,801,254	20,028,523
Financial liabilities				
Promissory notes	5.3A	**9,179,863**	9,360,635	9,434,349
Loan commitments	5.3B	**2,646,375**	-	-
Total financial liabilities		**11,826,238**	9,360,635	9,434,349
Provisions				
Provisions	5.4A	**12,047,949**	16,551,335	7,153,678
Total provisions		**12,047,949**	16,551,335	7,153,678
Total liabilities administered on behalf of Government		**43,851,797**	48,713,224	36,616,550
Net assets/(liabilities)		**(5,388,066)**	(10,933,458)	4,184,135

The above statement should be read in conjunction with the accompanying notes.

Administered Reconciliation Schedule

for the period ended 30 June 2026

	2026 $'000	2025 $'000
Opening assets less liabilities as at 1 July	**(10,933,458)**	(4,575,670)
Net (cost of)/contribution by services		
Income	**2,732,211**	2,580,242
Expenses		
Payments to entities other than corporate Commonwealth entities	**(224,993,288)**	(209,361,650)
Payments to corporate Commonwealth entities	**(555,074)**	(336,829)
Other comprehensive income		
Revaluations transferred to reserves	**1,343,328**	(548,212)
Restructuring	**-**	-
Transfers (to)/from Australian Government		
Appropriation transfers from Official Public Account (OPA)		
Administered assets and liabilities appropriations	**445,865**	635,379
Annual appropriation for administered expenses		
Payments to entities other than corporate Commonwealth entities	**212,616**	107,051
Payments to corporate Commonwealth entities	**52,296**	60,192
Special appropriations (limited)		
Payments to entities other than corporate Commonwealth entities	**91,965**	69,381
Special appropriations (unlimited)		
Payments to entities other than corporate Commonwealth entities	**140,482,989**	130,211,918
Special accounts - Federation Reform Fund	**26,543,155**	22,598,966
Special accounts - Medicare Guarantee Fund	**57,541,247**	46,000,000
Special accounts - Housing Australia	**-**	-
Special accounts - Fuel Indexation	**3,215,000**	2,688,000
Appropriation transfers to OPA	**-**	-
Transfers to OPA - appropriations	**(1,534,463)**	(1,062,226)
Restructuring	**(32,456)**	-
Transfers to OPA - special accounts	**-**	-
Closing assets less liabilities as at 30 June	**(5,388,066)**	(10,933,458)

The above statement should be read in conjunction with the accompanying notes.

Accounting Policy

Administered cash transfers to and from the Official Public Account

Revenue collected by Treasury for use by the Government rather than Treasury is administered revenue. Collections are transferred to the Official Public Account (OPA) maintained by Department of Finance. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriations on behalf of the Government. These transfers to and from the OPA are adjustments to administered cash held by Treasury on behalf of the Government and reported as such in the schedule of administered cash flows and in the administered reconciliation schedule.

Administered Cash Flow Statement

for the period ended 30 June 2026

	Notes	2026 $'000	2025 $'000	Original Budget $'000
OPERATING ACTIVITIES				
Cash received				
Interest		**585,655**	652,828	643,259
GST received		**15,789**	35,205	1,997,604
Special Account revenue from government agencies		**717,914**	724,934	202,710
Other receipts from government agencies	6.1D	**35,023,180**	33,086,630	32,495,242
Other		**223,736**	101,761	214,506
Total cash received		**36,566,274**	34,601,358	35,553,321
Cash used				
Grants		**226,546,977**	200,244,576	196,228,811
Other grants to the States and Territories	6.1D	**35,023,180**	33,086,630	55,607,498
Suppliers		**30,847**	39,508	8,641
Payments to corporate Commonwealth entities		**554,300**	336,742	219,818
IMF charges		**531,844**	677,683	621,229
Other		**95,166**	51,459	50,989
Total cash used		**262,782,314**	234,436,598	252,736,986
Net cash from/(used by) operating activities		**(226,216,040)**	(199,835,240)	(217,183,665)
INVESTING ACTIVITIES				
Cash received				
IMF maintenance of value		**419,141**	767	-
Repayment of loans from Housing Australia		**28,017**	188,104	-
Repayment of other loans		**931**	898	390,126
Repayment of International Loans		**269,285**	255,035	-
Repayment of loans to States and Territories		**-**	15,953	-
Total cash received		**717,374**	460,757	390,126
Cash used				
Settlement of IMF Promissory notes		**180,294**	-	-
Settlement of international financial institutions' obligations		**13,218**	14,443	-
Purchase of administered investments		**10,185**	3,999	59,328
Settlement of loans to Housing Australia		**1,497,377**	143,097	3,396,666
Settlement of international assistance loans		**-**	570,000	-
Settlement of loans to States and Territories		**57,216**	-	-
Total cash used		**1,758,290**	731,539	3,455,994
Net cash from/(used by) investing activities		**(1,040,916)**	(270,782)	(3,065,868)
Net increase/(decrease) in cash held		**(227,256,956)**	(200,106,022)	(220,249,533)

	Notes	2026 $'000	2025 $'000	Original Budget $'000
Cash and cash equivalents at the beginning of the reporting period		**1,410,502**	207,863	367,330
Cash from Official Public Account				
Appropriations		**141,285,731**	131,083,921	139,701,703
Special accounts		**87,299,402**	71,286,966	81,537,949
Total cash from Official Public Account		**228,585,134**	202,370,887	221,239,652
Cash to Official Public Account				
Appropriations		**1,534,463**	1,062,226	(1,330,690)
Total cash to Official Public Account		**1,534,463**	1,062,226	(1,330,690)
Net cash from/(to) Official Public Account		**227,050,671**	201,308,661	222,570,342
Cash and cash equivalents at the end of the reporting period	**5.1A**	**1,204,217**	1,410,502	2,688,139

The above statement should be read in conjunction with the accompanying notes.

Administered Budget Variance Reporting

for the period ended 30 June 2026

The table below provides explanations for major variances between the agency's original budget estimates, as published in the 2025-26 PBS, and the actual financial performance and position for the year ended 30 June 2026. The budget is not audited.

Variances are considered 'major' if they are core to the agency's activities and based on the following criteria:

- the variance between budget and actual is greater than +/- 10% and $1 billion of the original budget for a line item; and
- an item is below this threshold but is considered important for the reader's understanding, or relevant to an assessment of the discharge of accountability and to an analysis of the department's performance.

Variances relating to cash flows are a result of the factors explained for net cost of services, assets or liabilities variations. Unless otherwise individually significant, no additional commentary has been included.

The nature and timing of the Commonwealth's budget process can also contribute to variances.

Budget Variance explanation	Affected statements and line items
Grant expenses are higher than budget primarily due to an increase in GST payments to States and Territories and Medicare Guarantee Fund payments to Department of Health, Disability and Ageing net of the Disaster Recovery Funding Arrangements (DRFA) provision revaluation which is not budgeted for.	Administered Schedule of Comprehensive Income - Grants Administered Schedule of Assets and Liabilities - Provisions
Concessional loan discount expense was not included in the budget due to the timing of final decisions on certain programs. The increase reflects loans provided by Treasury in relation to the following programs: - Housing Australia Future Fund Facility (HAFFF) and the National Housing Accord Facility (NHAF) - 100,000 Homes for First Home Buyers. Loan commitments are higher than budget primarily due to the recognition of the upfront concessional loan discount expense on the loan commitments liability to Housing Australia and to States and Territories.	Administered Schedule of Comprehensive Income - Concessional loan discount Administered Schedule of Assets and Liabilities - Loan commitments
Cash balances are higher than budget primarily due to balances retained in the Housing Australia and FRF special accounts, reflecting lower than expected utilisation of loans to Housing Australia and the timing of state payments from the Federation Reform Fund Special Account.	Administered Schedule of Assets and Liabilities - Cash and cash equivalents
Loans and other receivables are lower than budget, primarily due to utilisation of the following housing programs being below the levels assumed at budget: - Housing Australia's Affordable Housing Bond Aggregator (AHBA) - Housing Australia Future Fund Facility (HAFFF) and the National Housing Accord Facility (NHAF) - Help to Buy Scheme.	Administered Schedule of Assets and Liabilities - Loans and other receivables
IMF and other payables are lower than budget primarily due to fluctuations in the AUD/SDR exchange rate and IMF interest rate movements.	Administered Schedule of Assets and Liabilities - IMF and other payables

Notes to and forming part of the financial statements

for the period ended 30 June 2026

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Overview

The Department of the Treasury (Treasury) is an Australian Government controlled not-for-profit entity that is the Government's lead economic adviser. Treasury provides advice to Government and implements policies and programs to achieve strong, sustainable and inclusive economic and fiscal outcomes for Australians. Treasury's work includes promoting a sound economic environment, effective Government spending arrangements and regulations, well-functioning markets to serve consumers and investors, sustainable taxation and revenue arrangements, and housing outcomes that support productivity and wellbeing. Treasury achieves this through providing policy advice, analysis and the delivery of economic policies and programs, including legislation, administrative payments, and our regulatory functions, which support the effective management of the Australian economy.

Treasury's activities are classified as either departmental or administered. Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by Treasury in its own right. Administered activities (shown with grey shading throughout the financial statements) involve the management or oversight by Treasury, on behalf of the Government, of items controlled or incurred by the Government.

The continued existence of Treasury in its present form and with its present programs is dependent on Government policy and on continuing funding by Parliament for Treasury's administration and programs.

The Basis of Preparation

The financial statements are general purpose financial statements and required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The financial statements have been prepared in accordance with:

a) *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR)*; and
b) Australian Accounting Standards and interpretations

Treasury has complied in full and met all requirements of the simplified disclosures issued by the Australian Accounting Standards Board (AASB) with the exception of disclosures for administered activities applying Tier 1 reporting requirements prepared under the following accounting standards, as required under subsection 18(4) of the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015:*

a) AASB 7 *Financial Instruments: Disclosure*;
b) AASB 12 *Disclosure of Interests in Other Entities*; and
c) AASB 13 *Fair Value Measurement*.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets at fair value. Unless specifically stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars rounded to the nearest thousand. Unless otherwise stated, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

Taxation

Treasury is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Foreign Currency

Where transactions are denominated in a foreign currency they are converted at the exchange rate on the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current as at balance date.

Events After the Reporting Period

As part of the 2026-27 Budget, the Australian Government announced that the Investor Front Door function will transfer from the Treasury Portfolio to the Industry, Science and Resources Portfolio. The transfer of appropriations in relation to the announcement will be effective in 2026-27. Details of restructuring adjustments associated with this function will be reported in the Treasury's 2026-27 financial statements as the appropriation transfers took effect after 1 July 2026.

On 9 July 2026, Queensland executed an agreement under the 100,000 Homes for First Home Buyers program. Under this agreement the Commonwealth will provide Queensland with up to $1,596.6 million in loans, provided at zero interest and repayable in full. As the agreement was executed after 30 June 2026, no amounts are recognised in the 2025-26 financial statements. The agreement gives rise to a loan commitment from the date of execution, to be recognised in 2026-27, together with loan receivables as funding is advanced against agreed project milestones.

1. Departmental Financial Performance

This section analyses the financial performance of the Treasury for the year.

1.1. Expenses

	2026 $'000	2025 $'000
Note 1.1A: Employee benefits		
Wages and salaries	228,603	216,822
Leave and other entitlements	26,165	29,020
Superannuation		
Defined contribution plans	31,457	28,908
Defined benefit plans	8,344	11,348
Other	4,430	4,320
Redundancies	3,295	1,486
Total employee benefits	**302,294**	291,904

Accounting Policy

Accounting policies for employee related expenses are contained in Note 3: People and Relationships.

Note 1.1B: Suppliers		
Goods and services supplied or rendered		
Consultants, contractors and secondees	31,712	49,708
IT and communications	17,464	17,783
Property operating expenses	6,778	7,324
Travel	5,834	6,600
Conferences and training	4,358	4,830
Legal expenses	3,309	3,660
Publications and subscriptions	2,779	2,920
Audit, accounting and bank fees	1,605	1,637
Other	2,953	3,338
Total goods and services supplied or rendered	**76,792**	97,800
Rendering of services	72,005	92,248
Goods supplied	4,787	5,552
Total goods and services supplied or rendered	**76,792**	97,800
Other suppliers		
Workers compensation premiums	1,255	1,826
Total other suppliers	**1,255**	1,826
Total suppliers	**78,047**	99,626

Note 1.1C: Grants		
Non-profit organisations	500	500
Total grants	**500**	500

Accounting Policy

The Treasury administers a number of grant schemes. Grant liabilities are recognised to the extent that (i) the services required to be performed by the grantee have been performed, or (ii) the grant eligibility criteria have been satisfied, but payments due have not been made. When the Government enters into an agreement to make these grants and services, but services have not been performed or criteria satisfied, this is considered a commitment.

Note 1.1D: Finance costs		
Interest on lease liabilities	1,648	1,679
Unwinding of discount	289	264
Total finance costs	**1,937**	1,943

1.2. Own-Source Revenue and Gains

Own-Source Revenue	**2026 $'000**	2025 $'000
Note 1.2A: Revenue from contracts with customers		
Rendering of services	13,974	10,106
Total revenue from contracts with customers	**13,974**	10,106
Disaggregation of revenue from contracts with customers		
Major product / service line:		
Actuarial services	5,088	4,059
Cost recoveries	3,971	2,568
Shared services	3,167	3,036
Administrative and licence fees	1,262	-
Income from subleasing[1]	444	394
Other	42	49
	13,974	10,106
Type of customer:		
Australian Government entities (related parties)	12,591	10,057
Non-government entities	1,383	49
	13,974	10,106

[1] The Treasury sub-leases accommodation to the Australian Office of Financial Management.

Maturity analysis of sub-lease commitments receivable:		
Within 1 year	450	237
1-2 years	466	83
2-3 years	479	86
3-4 years	408	89
4-5 years	172	35
Total undiscounted lease payments receivable	**1,975**	530

Accounting Policy

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount reflecting the consideration to which the Treasury expects to be entitled in exchange for those goods or services. The Treasury has concluded it is the principal in all of its revenue arrangements because it controls the goods or services before transferring them to the customer.

The transaction price is the total amount of consideration to which the Treasury expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Actuarial Services

The Australian Government Actuary Division provide actuarial services for other Commonwealth entities. The Treasury recognises revenue upon the completion of the services (that is, at a point in time) as defined by the underlying contract as this is when the customer obtains the ability to direct the use of and obtain substantially all of the benefits from the services (typically a report or other deliverable). Invoicing occurs in line with the underlying agreement and can be in advance or in arrears.

Accounting Policy (continued)

Cost Recoveries

The Treasury receives cost recovery contributions from Commonwealth and State government entities as well as other entities to support the Treasury's facilitation of various grant programs, forums and/or councils. These arrangements are underpinned by enforceable agreements that are sufficiently specific to allow the Treasury to determine when the obligations are satisfied in return for consideration. The Treasury recognises revenue on the basis of expenses incurred to complete the service (that is, over time) because the customer simultaneously receives and consumes the benefits provided to them. The Treasury uses the input method in measuring progress of the services because there is a direct relationship between the Treasury's effort (that is, expenditure incurred) and the transfer of the service to the customer. Invoicing occurs in line with the underlying agreement and can be in advance or in arrears.

Shared Services

The Treasury provide finance, payroll, security and IT function services to a number of portfolio entities. The Treasury recognises revenue on the basis of expenses incurred to complete the service (that is, over time) because the customer simultaneously receives and consumes the benefits provided to them. The Treasury uses the input method in measuring progress of the services because there is a direct relationship between the Treasury's effort (that is, expenditure incurred) and the transfer of the service to the customer. Invoicing occurs in line with the underlying agreement and can be in advance or in arrears.

Administrative and Licence fees

The ABCB receives annual administrative fees and licence fees in connection with its administration of the Watermark Certification Scheme, which it administers on behalf of the Commonwealth and the States and Territories. The Scheme evaluates and certifies plumbing and drainage products under the National Construction Code. The Treasury recognises revenue upon receipt (that is, at a point in time) as this is when the customer obtains the ability to direct the use and obtain substantially all of the benefits from the licence.

Income from Subleasing Right-of-Use Assets

The Treasury subleases a portion of office space to the Australian Office of Financial Management. The Treasury does not transfer substantially all the risks and rewards incidental to ownership of its lease through this sublease and therefore classifies this sublease as an operating lease. Rental income is accounted for on a straight-line basis over the lease term and is included in revenue from contracts with customers due to its operational nature.

	2026	2025
	$'000	$'000
Note 1.2B: Other revenue		
States and Territories receipts	4,000	-
Resources received free of charge		
Seconded staff	3,509	4,837
Remuneration of auditors - ANAO	520	510
Other	464	353
Total other revenue	**8,493**	5,700
Note 1.2C: Other gains		
Gains from sale of assets	15	16
Total other gains	**15**	16
Note 1.2D: Revenue from Government		
Appropriations		
Departmental appropriations	381,151	398,518
Total revenue from Government	**381,151**	398,518

Accounting Policy

States and Territories receipts

ABCB receives an annual contribution from the States and Territories towards the ABCB's functions. The ABCB transferred to Treasury as a result of a Machinery of Government change effective 1 September 2025. Refer to Note 8.2A.

Resources received free of charge

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined, and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

Sale of assets

Gains from disposal of assets are recognised when control of the asset has passed to the buyer.

Revenue from Government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the Treasury gains control of the appropriation, except for certain amounts related to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned.

Appropriation receivables are recognised at their nominal amounts.

2. Departmental Financial Position

This section analyses the Treasury assets used to generate financial performance and the operating liabilities incurred as a result. Employee related information is disclosed in the People and Relationships section.

2.1. Financial Assets

	2026	2025
	$'000	$'000
Note 2.1A: Cash and cash equivalents		
Special accounts[1]	10,557	-
Cash on hand or on deposit	12,988	749
Total cash and cash equivalents	**23,545**	749

[1] Reflects the Australian Building Codes Board (ABCB) special account which transferred to the Treasury on 1 September 2025 as a result of the Machinery of Government change. Refer to Note 8.2.

Note 2.1B: Trade and other receivables		
Goods and services receivables		
Contracts with customers	3,177	3,078
Goods and services	2,085	296
Total goods and services receivables	**5,262**	3,374
Appropriation receivables		
Appropriation receivables	126,615	135,172
Total appropriation receivables	**126,615**	135,172
Other receivables		
Net GST receivable from the ATO	894	762
Other receivables	729	596
Total other receivables	**1,623**	1,358
Total trade and other receivables (gross)	**133,500**	139,904
Total trade and other receivables (net)	**133,500**	139,904

Credit terms for goods and services were within 30 days (2025: 30 days).

Accounting Policy

Financial assets

Trade receivables, loans and other receivables that are held for the purpose of collecting the contractual cash flows, where the cash flows are solely payments for principal and interest that are not provided at below-market interest rates, are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance.

2.2. Non-Financial Assets

Note 2.2: Reconciliation of the opening and closing balances of property, plant and equipment and computer software (2025-26)

	Buildings $'000	Plant and equipment $'000	Intangibles[1] $'000	Total $'000
As at 1 July 2025				
Gross book value	198,015	11,258	19,636	228,909
Accumulated depreciation / amortisation and impairment	(70,379)	(3,058)	(18,430)	(91,867)
Total value as at 1 July 2025	**127,636**	**8,200**	**1,206**	**137,042**
Additions	2,553	1,545	-	4,098
Purchase or internally developed	996	1,522	-	2,518
Right-of-use assets	1,557	23	-	1,580
From restructuring[2]	-	20	-	20
Depreciation and amortisation	(3,457)	(2,576)	(928)	(6,961)
Depreciation on right-of-use assets	(13,429)	(16)	-	(13,445)
Disposal of right-of-use assets	(237)	-	-	(237)
Total as at 30 June 2026	**113,066**	**7,173**	**278**	**120,517**
Total as at 30 June 2026 represented by:				
Gross book value	198,687	12,672	19,636	230,995
Fair value	23,699	11,166	-	34,865
At cost	173,992	79	19,636	193,707
Under construction	996	1,427	-	2,423
Accumulated depreciation / amortisation and impairment	(85,621)	(5,499)	(19,358)	(110,478)
Total as at 30 June 2026	**113,066**	**7,173**	**278**	**120,517**
Carrying amount of right-of-use assets	**95,885**	**35**	**-**	**95,920**

1. The carrying amount of intangibles relates to purchased software ($0.28m).
2. Refer to Note 8.2.

Contractual commitments for the acquisition of property, plant and equipment and intangible assets

	2026	2025
	$'000	$'000
Commitments are payable as follows[1]:		
Within 1 year	218	112
Total commitments	**218**	112

[1.] Commitments are GST inclusive where relevant.

Accounting Policy

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

Asset recognition threshold

Purchases of plant and equipment and computer software are recognised initially at cost in the statement of financial position, except for purchases costing less than $10,000 (building – leasehold improvements and internally developed software $50,000) which are expensed in the year of acquisition.

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to restoration provisions in property leases taken up by the Treasury where there exists an obligation to restore the property to its original condition. These costs are included in the value of the Treasury's leasehold improvements with a corresponding provision for the restoration recognised.

Leased Right-of-Use (ROU) Assets

Leased ROU assets are capitalised at the commencement date of the lease and the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for as separate asset classes to corresponding assets owned outright but included in the same column as where the corresponding underlying assets would be presented if they were owned.

Following initial application, an annual impairment review is undertaken for any ROU lease asset that shows indicators of impairment and an impairment loss is recognised against any ROU lease asset that is impaired. Leased ROU assets continue to be measured at cost after initial recognition.

Revaluations

Following initial recognition at cost, property, plant and equipment (excluding ROU assets) are carried at fair value (or an amount not materially different from fair value) less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Accounting Policy (continued)

Depreciation and Amortisation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives using the straight-line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, and/or future reporting periods as appropriate. Software is amortised on a straight-line basis.

Depreciation rates applying to each class of depreciable assets are based on the following useful lives:

	2026	2025
Buildings - leasehold improvements	5-25 years	5-25 years
Plant and equipment:		
Plant and equipment	3-10 years	3-10 years
Motor vehicles	4 years	4 years
Office equipment	5 years	5 years
Computer software	3-5 years	3-5 years

The depreciation rates for ROU assets are based on the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

Impairment

All cash-generating assets and assets held at cost, including intangibles and ROU assets, were assessed for impairment as at 30 June 2026. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

For non-cash generating assets held at fair value, the recoverable amount is expected to be materially the same as fair value as at 30 June 2026.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows and the asset would be replaced if the Treasury were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Intangibles

The Treasury's intangible assets comprise internally developed and purchased software for internal use. These assets are carried at cost less accumulated amortisation and any accumulated impairment losses.

All software assets were assessed for indications of impairment as at 30 June 2026, including the impact of factors such as project cessation and platform changes. No indication of impairment for intangible assets was identified as at 30 June 2026 (2025: nil).

Accounting judgement and estimates

The fair value of buildings – leasehold improvements and plant and equipment has been taken to be the market value of similar properties or depreciated replacement value as determined by an independent valuer.

Refer to Note 7.5 Fair Value Measurement - Accounting Policy.

2.3. Interest Bearing Liabilities

	2026 $'000	2025 $'000
Note 2.3: Leases		
Lease liabilities		
Buildings	110,866	121,962
Plant and equipment	18	28
Total leases	**110,884**	121,990

Total cash outflow for leases for the year ended 30 June 2026 was $14.01 million (2025: $12.52 million).

Maturity analysis - contractual undiscounted cash flows		
Within 1 year	12,858	12,925
Between 1 to 5 years	64,769	65,271
More than 5 years	40,404	52,718
Total leases	**118,031**	130,914

Accounting Policy

For all new contracts entered into, the Treasury considers whether the contract is or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Once it has been determined a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or the department's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss depending on the nature of the reassessment or modification.

2.4. Other Provisions

Note 2.4: Reconciliation other provisions	**Total $'000**
Carrying amount 1 July 2025	**6,540**
Unwinding of discount or change in discount rate	289
Closing balance 30 June 2026	**6,829**

The Treasury currently has six (2025: six) agreements for the leasing of premises which have provisions requiring the entity to restore the premises to their original condition at the conclusion of the lease. The Treasury has made a provision to reflect the present value of this obligation.

3. People and Relationships

This section describes a range of employment and post-employment benefits provided to our people and our relationships with other key people.

3.1. Employee Provisions

	2026	2025
	$'000	$'000
Note 3.1: Employee provisions		
Leave	91,413	85,521
Total employee provisions	**91,413**	85,521

Accounting Policy

Liabilities for short-term employee benefits and termination benefits expected within 12 months of the end of reporting period are measured at their nominal amounts.

Leave

The liability for employee benefits includes provision for annual leave and long service leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates applied at the time the leave is taken, including the Treasury's employer superannuation contribution rates to the extent the leave is likely to be taken during service rather than paid out on termination.

In 2023-24, the Treasury engaged the Australian Government Actuary to undertake a triennial actuarial assessment of its leave provisions, taking into account the likely tenure of existing staff, patterns of leave claims, payouts and future salary movements. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and general pay increases. Treasury has accepted the assumptions determined by the Australian Government Actuary in the triennial report. The next assessment will be completed in 2026-27.

Superannuation

Staff of the Treasury are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) or other superannuation funds held outside the Australian Government.

The CSS and PSS are defined benefit schemes of the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

The Treasury makes employer contributions to the employee's defined benefit superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government of the superannuation entitlements of Treasury's employees. The Treasury accounts for the contributions as if they were contributions to defined contribution plans in accordance with AASB 119.

The liability for superannuation recognised as at 30 June 2026 represents outstanding contributions yet to be paid.

3.2. Key Management Personnel Remuneration

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities, directly or indirectly, of the Treasury. The Treasury has determined the key management personnel to be the Secretary and Deputy Secretaries. Key management personnel remuneration is reported in the table below:

	2026	2025
	$'000	$'000
Short-term employee benefits	3,803	3,422
Post-employment benefits	445	577
Other long-term employee benefits[1]	193	188
Total key management personnel remuneration expenses[2]	**4,441**	4,187

1. Other long-term employee benefits is affected by the movement in the 10-year bond rate to 4.73% as at 30 June 2026 (2025: 4.17%).
2. The above key management personnel remuneration excludes the remuneration and other benefits of the Treasurer and other Portfolio Ministers. Their remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the Treasury.

The total number of key management personnel included in the above table for Treasury in 2025-26 is 9 people for 8 roles (2024-25: 13 people for 8 roles). This includes staff who were acting for more than 90 days.

3.3. Related Party Disclosures

Related party relationships:
The Treasury is an Australian Government controlled entity. Related parties to the Treasury are key management personnel including the Portfolio Minister and Executive and other Australian Government entities.

Transactions with related parties:
Given the breadth of government activities, related parties may transact with the department in the same capacity as ordinary citizens, these transactions have not been separately disclosed in this note.

There were no transactions to disclose for 2025-26.

During 2024-25, Treasury purchased shares totalling $4.63 million in the Australian Business Growth Fund (ABGF). One of the key management personnel in 2024-25 was also a government-appointed director of ABGF.

4. Income and Expenses Administered on Behalf of Government

This section analyses the activities the Treasury does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

4.1. Administered – Expenses

	2026	2025
	$'000	$'000
Note 4.1A: Grants		
Public sector		
State and Territory Governments	**162,901,597**	161,627,984
Department of Health, Disability and Ageing - Medicare Guarantee Fund	**57,541,247**	46,000,000
Payment of FRF receipts from Government agencies[1]	**241,520**	301,362
Private sector		
Not-for-profit organisation	**247,953**	62,020
Grants to private sector	**400**	432
Overseas entities		
Grants to overseas entities	**1,000**	1,000
Total grants	**220,933,717**	207,992,798

[1]FRF refers to the Federation Reform Fund.

Accounting Policy

The Treasury administers a number of grants on behalf of the Government. With the exception of the accounting treatment of payments to State and Territories under the Disaster Recovery Funding Arrangements (DRFA) detailed below, grant liabilities are recognised to the extent that (i) the services required to be performed by the grantee have been performed or (ii) the grant eligibility criteria have been satisfied but payments due have not been made. When the Government enters into an agreement to make these grants and services, but services have not been performed or criteria satisfied, this is considered a commitment.

Grants to States and Territories

Under the Federal Financial Relations Framework, the Treasurer is responsible for payments to the States and Territories.

There are six main types of payments under the framework:
(i) General revenue assistance, including GST revenue payments – a financial contribution to a State or Territory which is available for use for any purpose.

(ii) National Skills Agreement (NSA) payments – a financial contribution to support a State or Territory to deliver services related to skills and workforce development.

(iii) National Health Reform (NHR) payments – a financial contribution to a State or Territory to improve health outcomes for all Australians and ensure the sustainability of Australia's health system. Payments are made on the condition that the financial assistance is spent in accordance with the NHR Agreement.

(iv) National Housing and Homelessness Agreement (NHHA) payments – a financial contribution to a State or Territory to improve access to affordable, safe and sustainable housing, including to prevent and address homelessness and support social and economic participation.

(v) Temporary Energy Bill Relief (TEBR) payments – a reimbursement to a State or Territory for payments made for the provision of energy bill relief to eligible households and small businesses.

(vi) National Partnership (NP) payments – a financial contribution in respect of a funding agreement with a State or Territory to support the delivery of specific projects, to facilitate reforms or to reward jurisdictions that deliver national reforms or achieve service delivery improvements. Portfolio Ministers are accountable for government policies associated with NP payments.

Grants to States and Territories (continued)

NSA, NHHA, NHR and GST are paid monthly in advance under the *Federal Financial Relations Act 2009*. TEBR is paid in accordance with the funding agreement with the State or Territory, with most energy bill relief provided monthly. After the end of the financial year, the Treasurer determines the amounts that should have been paid, and any adjustments are made in respect of advances that were paid during the financial year.

NP and other general revenue assistance payments are paid under *the Federal Financial Relations Act 2009* which allows the Treasurer (or the delegated Minister within the Treasury Portfolio) to determine an amount to be paid to a State or Territory for the purpose of making a grant of financial assistance. Once determined, this amount must be credited to the Federation Reform Fund (FRF) special account, previously known as the Councils of Australian Government (COAG) special account. The Treasurer must ensure that, as soon as practicable after the amount is credited, the Federation Reform Fund is debited for the purposes of making the grant. In addition, the Treasurer must have regard to the Intergovernmental Agreement on Federation Financial Relations.

Payments to the States and Territories through the Federation Reform Fund

The Treasury receives funds from the relevant Commonwealth agency and pays the amount to the States and Territories. These amounts are recorded as 'FRF revenue from Government Agencies', previously known as COAG revenue from Government Agencies, to recognise the income and a corresponding grant expense for the payment to the States and Territories when entitled to be paid.

Disaster Recovery Funding Arrangements (DRFA)

The Treasury accounts for payments made to States and Territories under the DRFA by recognising a liability. For categories of events not requiring Prime Minister approval, the liability is valued through an actuarial approach developed by the Australian Government Actuary (AGA). For categories of events requiring Prime Minister approval, the liability is equal to the discounted value of estimated future payments to States and Territories. Before Treasury and the AGA receive expenditure estimates from the States and Territories for disasters to the end of the financial year, the National Emergency Management Agency (NEMA) completes an assessment of disasters eligibility under the DRFA program, quality assures signed representations from the States and Territories and certifies expenditure estimates. AGA then apply their actuarial method to project expenditure for disasters with expenditure estimates to the end of the financial year and for recent events without reported estimates (for categories of events not requiring Prime Minister approval) and apply a discounted value estimate (for categories requiring Prime Minister approval) – refer to Note 5.4 Administered provisions for additional information.

Medicare Guarantee Fund

The purpose of the *Medicare Guarantee Act 2017* (the Act) is to establish the Medicare Guarantee Fund (MGF) which secures the ongoing funding of the Medical Benefits Schedule (MBS) and Pharmaceutical Benefits Scheme (PBS).

The MGF consists of the Medicare Guarantee Fund (Treasury) Special Account (Treasury Special Account) and the Medicare Guarantee Fund (Health) Special Account (Health Special Account). The Treasury Special Account is administered by the Department of the Treasury, and the Health Special Account is administered by the Department of Health, Disability and Ageing.

Under the Act, the Treasurer must credit the Treasury Special Account with an amount that is sufficient to cover the estimated costs of the MBS and PBS for the next financial year. The Treasury is reliant on advice from the Department of Health, Disability and Ageing in determining the estimated costs. The sole purpose of the Treasury Special Account is to ensure that amounts are available for transfer to the Health Special Account to fund the MBS and PBS.

The MGF funding payment is recorded in Treasury's administered expenses to reflect the payment into the Health Special Account from the Treasury Special Account. Refer to Note 6.2 Special Accounts.

Compensation Scheme of Last Resort (CSLR)

The CSLR operator provides compensation of up to $150,000 to eligible customers who have received an Australian Financial Complaints Authority (AFCA) determination awarding compensation in relation to complaints in one of the four areas: personal financial advice, credit intermediation, securities dealing or credit provision. A determination may be unpaid because the financial institution subject to the determination has become insolvent.

The CSLR operator commenced its operations on 2 April 2024. The Australian Government formally authorised CSLR Limited to operate the scheme under section 1060 of the *Corporations Act 2001*.

CSLR is responsible for determining the total costs to the scheme for the leviable period. The Australian Securities and Investments Commission (ASIC) is responsible for issuing levy notices and collecting levy payments. The Treasury will pay the CSLR operator the amount equal to the amount received by ASIC. All payments to the CSLR operator are recorded as grants to not-for-profit organisation. Any levy notice received by ASIC but not paid to the CSLR operator as at 30 June is accrued as grants payable by the Treasury.

Grants to not-for-profit organisations

The Housing Australia Future Fund (HAFF) was established on 1 November 2023 by the *Housing Australia Future Fund Act 2023* (HAFF Act). Under the HAFF, grants relating to acute housing needs, social housing or affordable housing are paid to eligible not-for-profit recipients from the HAFF Payments Special Account. The grants programs are administered by the Treasury, Department of Social Services, the Department of Veterans' Affairs and the National Indigenous Australians Agency (agencies) under the HAFF Act. These agencies have drawing rights to the HAFF Payments Special Account administered by the Treasury. The Treasury recognises the administered grant expense, including grants payable accrued at year end based on information provided by those agencies.

	2026	2025
	$'000	$'000
Note 4.1B: Finance costs		
Charges on SDR allocations	**519,092**	649,403
Unwinding of discount - DRFA provision	**485,650**	421,151
Total finance costs	**1,004,742**	1,070,554

Accounting Policy

Charges on SDR allocations

The Special Drawing Rights (SDR) is an international reserve asset created by the International Monetary Fund (IMF) and allocated to member countries participating in its SDR Department. SDR allocations represent the SDRs allocated to Australia by the IMF. These allocations provide each member with on-demand access to freely usable currencies. When the IMF allocates SDRs, participants in the SDR Department receive unconditional liquidity represented by an interest-bearing reserve asset (SDR holding) and a corresponding long-term liability to the SDR Department (SDR allocation).

The IMF pays interest on SDR holdings and levies charges on SDR allocations of each member at the same rate (the SDR interest rate).

Unwinding of discount – DRFA provision

Refer to Note 5.4 Provisions for further details on DRFA provision.

Note 4.1C: Payments to corporate Commonwealth entities		
Housing Australia		
Operating funding	**52,296**	59,566
Grants payment	**502,778**	277,263
Total payments to corporate Commonwealth entities	**555,074**	336,829

Note 4.1D: Suppliers and increase in financial guarantees		
Suppliers		
Advertising campaigns	**9,955**	39,091
General supplier expenses	**172**	395
Total suppliers	**10,127**	39,486
Increase in financial guarantees		
Australian Government 5% Deposit Scheme[1]	**40,285**	4,708
Pacific Banking Guarantee	**40,200**	-
Total increase in financial guarantees	**80,485**	4,708
Advances - Housing Australia	**500**	-
Total revaluation of financial assets	**500**	-
Total suppliers and increase in financial guarantees	**91,112**	44,194

[1] Previously named Home Guarantee Scheme.

Accounting Policy

Increase in suppliers and financial guarantees

Refer to Note 5.1B for Advances and Note 5.2C Financial guarantees for further details.

	2026	2025
	$'000	$'000
Note 4.1E: Concessional loan discount		
PNG Loan	**-**	203,336
HAFFF/NHAF loan	**2,907,831**	50,768
States and Territories	**55,886**	-
Total concessional loan discount	**2,963,717**	254,104

Accounting Policy

Concessional loan discount expense

A concessional loan discount expense is recorded when Treasury makes a loan at a discount to the prevailing market equivalent rates or terms. The concessional loan discount expense is an upfront non-cash concession charge and will unwind over the term of the underlying loan to become concessional loan interest income. As the concessional loan discount expense is a non-cash adjustment, it does not impact the underlying operational earning of the Treasury. Over the life of the loans, the cumulative impact of the reported profit or loss from the concessional loan discount and income will net to nil.

Refer to Note 5.1B for the carrying amounts of concessional loans, and Note 5.3B for the concession on undrawn loan commitments.

Accounting judgement and estimates

Treasury is required to record a concessional loan discount expense when it makes a loan at a discount to the prevailing market equivalent rate or terms. The expense is recognised on entering into a binding loan commitment, so the balance comprises both the discount attached to amounts drawn down and the discount attached to undrawn commitments at reporting date.

This requires judgement in determining the 'market equivalent rate' to ascertain the extent of the implicit discount attached to the loan. To estimate the market rate, Treasury considers key terms of the loan such as loan tenure and repayment profile, as well as comparable bond issuance with a similar credit rating. Treasury also considers the seniority and potential recourse to collateral or assets, in combination with an assessment of the return on equity that an arm's length market participant may desire.

The majority of the concessional loan discount expense balance relates to undrawn commitments. Refer to note 5.3B for further detail on those judgements and assumptions used to measure the balance.

4.2. Administered – Income

Revenue	2026 $'000	2025 $'000
Non-Taxation Revenue		
Note 4.2A: Revenue from contracts with customers		
GST administration fees - external entities	**718,509**	616,400
Total revenue from contracts with customers	**718,509**	616,400

Note 4.2B: Interest		
Interest on		
IMF transactions	**493,882**	551,957
International assistance loans	**97,879**	96,409
Advances - Housing Australia	**892**	-
Loans to Housing Australia	**9,757**	9,556
Loans to States and Territories	**-**	452
Loan to Australian Energy Market Operator (AEMO)	**145**	178
Unwinding of concessional loan discount		
PNG loans	**97,301**	91,896
Indonesia loan	**35,218**	37,929
HAFFF/NHAF loans	**4,508**	316
AEMO loan	**33**	40
Loans to States and Territories	**2,313**	-
Total interest	**741,928**	788,733

Note 4.2C: Special Account revenue from government agencies		
Housing Australia Future Fund revenue	**500,000**	500,000
Disaster Ready Fund revenue	**200,000**	200,000
Future Drought Fund revenue	**13,214**	14,633
Confiscated Assets Account revenue	**4,700**	9,500
Total revenue from government agencies	**717,914**	724,133

Note 4.2D: Taxation and other revenue		
Mirror taxes[1]	**1,031,687**	968,397
less Transfers to States in relation to mirror taxes revenue	**(1,031,687)**	(968,397)
Australian Reinsurance Pool Corporation fee[2]	**90,000**	90,000
Foreign investment fees[3]	**120,918**	5,246
Other	**17,681**	6,156
Total taxation and other revenue	**228,599**	101,402

1. The Australian Government's mirror taxes arrangements mirror certain state taxes, including payroll taxes, land taxes and stamp duties, with respect to Commonwealth places. The States and Territories (the States) collect these mirror taxes on behalf of the Australian Government and bear the administrative cost of collection. All mirror taxes are credited to the Australian Government and simultaneously appropriated to the States.
2. Australian Reinsurance Pool Corporation dividend and service fee are agreed in advance as part of the budget process and finalised once the appropriate determination is provided under section 38(2) of the *Terrorism and Cyclone Insurance Act 2003*.
3. Foreign investment fees are receipts under Part 6 of the *Foreign Acquisitions and Takeovers Act 1975* (FATA), which requires foreign persons to apply for approval, or give notice, before acquiring an interest in Australian entities and businesses. A fee is payable for each application made, or notice given, and depends on the value and type of action that has been taken or is proposed to be taken. Treasury commenced collection of the non-residential foreign investment fees from 31 March 2025.

Note 4.2E: Gains	**2026**	2025
	$'000	$'000
Gains from revaluation of Small & Medium Enterprises Guarantee Schemes	**37,717**	16,009
Gains from revaluation of Australian Government 5% Deposit Scheme	**-**	231
Reversal of prior year accrual[1]	**-**	325,440
Total gains	**37,717**	341,680

[1.] The 2023-24 estimate of grants payable to States and Territories relating to the Energy Bill Relief program was higher than the actual demand for relief concessions. The grant payable over accrual was reversed in 2024-25.

Accounting Policy

Administered revenue

All administered revenue relates to ordinary activities performed by the Treasury on behalf of the Australian Government. As such, administered appropriations are not revenue of the individual entity that oversees distribution or expenditure of the funds as directed.

Interest revenue

Interest revenue is recognised using the effective interest method.

Interest from International Monetary Fund (IMF) transactions

Australia receives interest from a number of International Monetary Fund (IMF) instruments, including interest on Australia's IMF remunerated reserve tranche position, IMF Special Drawing Rights (SDR) holdings, IMF Poverty Reduction and Growth Trust (PRGT) Investment, IMF PRGT loans, IMF Resilience and Sustainability Trust (RST) deposit account and IMF RST loans.

IMF remuneration

Remuneration is interest paid by the IMF to Australia for the use of its funds. Remuneration is paid on Australia's remunerated reserve tranche position. Under the IMF's Financial Transactions Plan, Australia provides usable currency resources to the IMF, which are then used by the IMF to finance lending to member countries.

Where the IMF's holdings of Australian dollars fall below a specified level, it pays remuneration on Australia's average remunerated reserve tranche position. The rate of remuneration is based on the Special Drawing Right (SDR) interest rate. The SDR interest rate is the market interest rate computed by the IMF, which is based on a weighted average of representative interest rates on short-term government debt instruments (generally 3-month bond rates) of the five entities whose currencies make up the SDR basket: the United States, United Kingdom, European Union, Japan and China. This rate is then adjusted to account for the financial consequences of overdue obligations to the IMF which are shared between members and reflected at Note 4.2B as 'burden sharing'. No adjustment for 'burden sharing' has been made in either the current or prior years.

Remuneration is calculated daily and paid at the end of the IMF's financial quarters. An annual Maintenance of Value adjustment is made to the IMF's holdings of Australia's quota paid in Australian dollars to maintain its value in SDR terms.

IMF SDR Holdings

Australia receives interest on the SDR holdings. SDRs are allocated to members in proportion to their IMF quotas. These allocations provide each member with on-demand access to freely usable currencies. The members can exchange SDRs for freely usable currencies from other members. SDR is, therefore, a potential claim on freely usable currencies of IMF members. The Australian Government has previously sold SDR holdings to the Reserve Bank of Australia in exchange for AUD and also maintains SDR holdings for exchange with the IMF, countries or other prescribed holders. When the IMF allocates SDRs, participants in the SDR Department receive unconditional liquidity represented by an interest-bearing reserve asset (SDR holding) and a corresponding long-term liability to the SDR Department (SDR allocation).

IMF Poverty Reduction and Growth Trust (PRGT)

The IMF PRGT provides concessional financing to low-income countries to help them achieve, maintain, or restore a stable and sustainable macroeconomic position.

Australia provided a line of credit SDR of 1.00 billion (approximately $1.97 billion as at 30 June 2026), (30 June 2025: SDR 1.00 billion, approximately $2.10 billion) to the PRGT Loan Account. The IMF is required to repay amounts provided through the PRGT Loan Account 10 years from drawing. Amounts lent to the IMF under the PRGT accrue interest daily at the SDR interest rate (or such other rate as agreed by 85% of PRGT lenders).

Australia contributed SDR 1.00 billion (approximately $1.97 billion as at 30 June 2026) to the IMF's PRGT Long-Term Investment Account. The investment generated subsidy resources of SDR 82.00 million (approximately $161.90 million as at 30 June 2026). On 1 December 2025, once the agreed contribution requirement had been satisfied, the IMF repaid the full SDR 1.00 billion of principal to Australia together with excess investment earnings. The contribution has been repaid in full and no balance remained at 30 June 2026.

The IMF pays interest on PRGT Loan and Investment amounts quarterly.

Accounting Policy

IMF Resilience and Sustainability Trust (RST)

The IMF RST is used to help countries build resilience to external shocks and ensure sustainable growth, contributing to their long-term balance of payments stability.

Australia provided SDR 159.43 million (approximately $314.77 million as at 30 June 2026), (30 June 2025: SDR 137.72 million; approximately $288.78 million) to the RST Loan Account. The IMF must repay amounts provided through the RST Loan Account in line with the pass-through loan arrangement. Amounts can be repaid earlier if the pass-through loan is repaid early. Outstanding drawings by the IMF will earn interest at the SDR interest rate.

Australia provided SDR of 152.00 million (approximately $300.10 million as at 30 June 2026) (SDR of 152.00 million; approximately $318.73 million as at 30 June 2025) to the RST Deposit Account. Australia receives interest on amounts provided to the IMF under the RST Deposit Account. Amounts provided to the IMF under the RST accrue interest daily at the SDR interest rate.

The IMF pays interest on RST Loan and Deposit amounts quarterly.

Australian Reinsurance Pool Corporation dividend and fee

The dividend and fee from the Australian Reinsurance Pool Corporation (ARPC) are recognised when the relevant Minister signs the legislative instrument and thus control of the income stream is established. These are measured at nominal amounts.

5. Assets and Liabilities Administered on Behalf of Government

This section analyses assets used to conduct operations and the operating liabilities incurred as a result, which the Treasury does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

5.1. Administered – Financial Assets

	2026	2025
	$'000	$'000
Note 5.1A: Cash and cash equivalents		
Cash held in the OPA - Housing Australia Special Account	**663,894**	883,549
Cash held in the OPA - FRF Special Account	**460,454**	409,829
Cash held in the OPA - HAFF Payments Special Account	**79,869**	117,124
Total cash and cash equivalents	**1,204,217**	1,410,502

Accounting Policy

The Treasury's administered cash and cash equivalents relate to special account balances held in the Official Public Account (OPA). Refer to Note 6.2 Special Accounts for more information.

Note 5.1B: Loans and other receivables		
Loans		
Concessional loans	**2,507,309**	2,452,413
IMF PRGT loan	**648,841**	665,921
IMF RST loan	**314,773**	288,779
Loans to Housing Australia	**336,106**	116,451
Total loans	**3,807,029**	3,523,564
Other receivables		
Advances - Housing Australia	**927,305**	-
Accrued interest - IMF related transactions	**73,951**	84,138
Accrued interest - international loans	**117,932**	90,457
Accrued interest - Advances - Housing Australia	**245**	-
Accrued interest - loans to Housing Australia	**664**	1,297
Net GST receivable from the ATO	**8,296**	864
Other receivables	**44**	782
GST revenue allocation	**75,622**	-
Total other receivables	**1,204,059**	177,538
Total loans and other receivables (gross)	**5,011,088**	3,701,102
Receivables are expected to be recovered in		
No more than 12 months	**485,266**	320,577
More than 12 months	**4,525,822**	3,380,525
Total receivables (gross)	**5,011,088**	3,701,102
Receivables (gross) are aged as follows		
Not overdue	**5,011,088**	3,701,102
Total receivables (gross)	**5,011,088**	3,701,102

Note 5.1B: Concessional loans carrying amounts						
	Loans to PNG	**Loan to Indonesia**	**Loan to AEMO**	**Loans to Housing Australia**	**Loans to States and Territories**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
As at 1 July 2025	**1,590,011**	**832,454**	**3,848**	**26,100**	**-**	**2,452,413**
Gross funded loans and advances	**-**	**-**	**-**	**445,866**	**57,215**	**503,081**
Less: concessional loan discount on drawn loans	**-**	**-**	**-**	**(308,478)**	**(8,864)**	**(317,342)**
Less: repayment of principal	**(169,285)**	**(100,000)**	**(931)**	**-**	**-**	**(270,216)**
Add: unwinding of concessional loan discount (income)	**97,301**	**35,218**	**33**	**4,508**	**2,313**	**139,373**
Total as at 30 June 2026	**1,518,027**	**767,672**	**2,950**	**167,996**	**50,664**	**2,507,309**

	Loans to PNG	Loan to Indonesia	Loan to AEMO	Loans to Housing Australia	Loans to States and Territories	Total
	$'000	$'000	$'000	$'000	$'000	$'000
As at 1 July 2024	1,286,485	894,525	4,706	-	-	2,185,716
Gross funded loans and advances	570,000	-	-	76,552	-	646,552
Less: concessional loan discount on drawn loans	(203,336)	-	-	(50,768)	-	(254,104)
Less: repayment of principal	(155,034)	(100,000)	(898)	-	-	(255,932)
Add: unwinding of concessional loan discount (income)	91,896	37,929	40	316	-	130,181
Total as at 30 June 2025	1,590,011	832,454	3,848	26,100	-	2,452,413

Accounting Policy

Loans Receivables

All loans are classified at amortised cost under AASB 9. Refer to Note 7.4 Administered - Financial Instruments for further details on accounting treatment.

Non-Concessional loans

IMF Poverty Reduction and Growth Trust (PRGT) Loan

In October 2022, Australia entered into agreements to provide a line of credit of up to Special Drawing Rights (SDR) 1 billion (approximately $1.97 billion as at 30 June 2026) to the International Monetary Fund (IMF) under the PRGT until 31 December 2029. Funds under the line of credit are drawn by the IMF as required and are repayable in full with interest. As at 30 June 2026, IMF has drawn SDR 328.64 million (approximately $648.84 million) against the total line of credit.

IMF Resilience and Sustainability Trust (RST) Loan

In October 2022, Australia entered into an agreement to provide a line of credit of up to SDR 760.00 million (approximately $1.50 billion as at 30 June 2026) to the IMF under the RST, available until 30 November 2030. Funds under the line of credit are drawn by the IMF as required and repayable in full, together with interest. As at 30 June 2026, IMF has drawn SDR 159.43 million (approximately $314.77 million) against the total line of credit.

Loans to Housing Australia

Loans to Housing Australia relate to the Affordable Housing Bond Aggregator (AHBA), which was established by Housing Australia to provide loans to registered Community Housing Providers (CHPs). In accordance with the *Housing Australia Investment Mandate Direction 2018*, each loan allocated to the AHBA must relate to a particular loan to a CHP unless approved by the Treasurer and Minister for Finance. Interest is to be charged on each loan at a rate that covers the Commonwealth's cost of borrowing over the life of the loan. Interest revenue is recognised using the effective interest method and is disclosed in Notes 4.2B. Accrued interest is disclosed in Note 5.1B.

Concessional Loans

International Assistance Loans to Papua New Guinea

Between November 2020 to December 2024, the Commonwealth of Australia agreed to lend $3.13 billion across five loans to the Independent State of Papua New Guinea (PNG). The first two loans were to support PNG reform actions under the IMF Staff-Monitored Program (SMP), where the latter three were to support PNG to meet its budget financing shortfalls and to deliver reform actions under multilateral development programs.

All five loans have fixed interest rates to match the yield on 10-year Australian Government Security that is published 10 business days prior to the drawdown date (in respect of the previous quoted day), plus an additional 0.5% margin to cover administrative costs associated with the loans. The tenure of the loans is 15 years for one loan and 20 years for the remaining four. Instalments and interest are payable semi-annually in Australian dollars.

International Assistance Loan to Indonesia

On 12 November 2020, the Commonwealth of Australia agreed to lend $1.50 billion to the Government of Indonesia. This agreement is part of a multilateral action to support Indonesia led by the Asian Development Bank and includes the Asian Infrastructure Investment Bank, the Japan International Cooperation Agency and the German state-owned development bank. The funds were used to support Indonesia's COVID-19 response, including social protection initiatives and health system development.

The interest rate on the loan is fixed to match the yield on 10-year Australian Government Securities as at the date of drawdown (in respect of the previous quoted day), with an additional 0.5% margin to cover administrative costs associated with the loan. Instalments on the loan principal and interest are repayable over fifteen years every six months in Australian dollars.

Loan to Australian Energy Market Operator

In 2022, the Treasury, on behalf of the Commonwealth of Australia, provided a loan of $6.15 million to the Australian Energy Market Operator (AEMO). The loan allowed AEMO to upgrade its systems and procedures, so it can make its relevant data available in a form that can be shared with consumers via the internet, in accordance with the Consumer Data Right (CDR) provisions in the *Competition and Consumer Act 2010* (CCA). The interest rate per annum is the daily yield on Australian government bonds with a 10-year maturity published on the business day prior to the drawdown date (in respect of the previous quoted day). Instalments on loan principal and interest are payable over seven years every 12 months.

Loans to Housing Australia

Concessional loans to Housing Australia comprise loans related to the Housing Australia Future Fund Facility (HAFFF) and National Housing Accord Facility (NHAF).

The HAFFF and NHAF were established under the *Housing Australia Investment Mandate Direction 2018* and are administered by Housing Australia. Housing Australia provides concessional loans to the eligible project proponent and under the agreement no interest applies to the HAFFF and NHAF loans.

Loans to States and Territories

Concessional loans to States and Territories comprise loans provided under designated housing agreements authorised by the *Federal Financial Relations Act 2009*. These loans are provided under the 100,000 Homes for First Home Buyers Program to support States and Territories to improve the supply of housing suitable for and available for purchase by first home buyers. The program commenced in 2026 and, as at the reporting date, an agreement had been executed with South Australia. Under the agreement, no interest applies to these loans and all loans are repayable in full.

Other receivables

Advances - Housing Australia

Advances to Housing Australia include the Commonwealth's contributions under the Help to Buy Scheme (the Scheme). The Scheme is a shared equity scheme where the Commonwealth acts as a co-purchaser. Under the Scheme the Commonwealth contributes up to 40 per cent of the purchase price towards purchasing new dwellings and up to 30 per cent for existing dwellings. The Scheme is designed for low-to-middle income individuals to purchase new or existing residential property by reducing the deposit required and the amount they need to borrow. Eligible participants require a minimum 2 per cent deposit and no rent or interest is charged by the Commonwealth on its contribution. Housing Australia acts as an agent of the Commonwealth and administers the Scheme on its behalf.

The Commonwealth's contribution under the Scheme gives rise to a financial asset, representing the Commonwealth's proportional interest in the underlying residential property. The financial asset is recognised at the time when Commonwealth becomes party to the contractual provisions, except for the Commonwealth's contributions relating to construction costs (e.g. for new builds), which are recognised progressively over the construction phase as milestones are achieved. Committed construction costs are disclosed in Note 7.2.

As at 30 June 2026, advances to Housing Australia totalled $927.31 million. Of this balance, the Commonwealth held an underlying interest in residential properties totalling $718.27 million which are subject to valuation by AGA. The remaining $209.04 million relates to Commonwealth contributions in respect of committed properties (i.e. signed agreements in place) that were pending settlement as at reporting date. This component is measured at the value of the Commonwealth's contribution (i.e. contract value) and is not subject to the valuation performed by the AGA, which applies only to the Commonwealth's underlying interest in settled residential properties.

Accounting judgement and estimates

The Commonwealth's underlying interest in residential properties is measured at Fair Value Through Profit and Loss (FVTPL), with changes in value recognised in the Statement of Comprehensive Income (refer Note 4.1D). Fair value reflects the Commonwealth's contribution under the Scheme and is determined using observable market information, including movements in residential property prices and other relevant market conditions. Treasury engaged the AGA to provide valuation of the Scheme portfolio as at 30 June 2026. The valuation of the Commonwealth's contribution at 30 June 2026 is $927.31 million, a decrease of $0.50 million from the initial contribution value.

GST revenue allocation and Federation Reform Fund (FRF)

Under the FRF arrangements, the Treasury separately discloses grants payable (grants not paid prior to year-end) and receivable (primarily GST revenue allocations and other FRF grants receivable) based on information provided by Commonwealth Agencies for each FRF grant.

GST is paid to the State and Territories based on estimated figures provided in the Budget and revisited in the Mid-Year Economic and Fiscal Outcome (MYEFO) round. The key driver of the calculation of the distribution of GST is population and actual collections. At the end of each financial year, the Australian Bureau of Statistics provides population data and the ATO provides the actual GST collection figures. The difference between the estimated and actual State and Territory payments is recorded as GST revenue allocation.

Current year GST receivable is $75.62 million and current year GST payable is nil (2024-25: GST receivable of nil and GST payable of $946.10 million). Refer to Note 5.2A Grants for further details.

	2026 $'000	2025 $'000
Note 5.1C: Investments		
International financial institutions		
Asian Infrastructure Investment Bank	**1,074,683**	1,127,023
International Finance Corporation	**674,383**	707,227
Asian Development Bank	**606,456**	644,097
International Bank for Reconstruction and Development	**498,083**	522,341
European Bank for Reconstruction and Development	**170,600**	184,282
Multilateral Investment Guarantee Agency	**9,028**	9,467
Total international financial institutions	**3,033,233**	3,194,437
Australian Government entities		
Housing Australia	**2,499,631**	2,196,412
Australian Reinsurance Pool Corporation	**1,817,665**	772,096
Reserve Bank of Australia	**-**	-
Total Australian Government entities	**4,317,296**	2,968,508
Other investments		
IMF Quota	**12,976,111**	13,781,506
IMF SDR holdings	**11,559,027**	10,248,314
IMF PRGT investment	**-**	2,096,876
IMF RST deposit account	**300,099**	318,725
IMF RST reserve account	**30,010**	31,873
Australian Business Growth Fund	**32,650**	27,923
Total other investments	**24,897,897**	26,505,217
Total investments	**32,248,426**	32,668,162

Investments are expected to be recovered in more than 12 months.

Accounting Policy – Administered Investments

Investments are classified as fair value through other comprehensive income. Refer to Note 7.4 Administered Financial Instruments for further details on the Treasury's accounting policy. The note should be read in conjunction with notes 7.2 Administered Contingent Assets and Liabilities and 7.6: Administered – Fair Value Measurement.

International Financial Institutions

Australia holds shares in the World Bank Group (WBG), the Asian Development Bank (ADB), the European Bank for Reconstruction and Development (EBRD) and the Asian Infrastructure Investment Bank (AIIB).

Principal activities:

The World Bank was established in 1944 and comprises the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA). The World Bank, alongside the International Finance Corporation (IFC), the Multilateral Investment Guarantee Agency (MIGA) and the International Centre for Settlement of Investment Disputes (ICSID), form the WBG.

The IBRD provides financing and technical assistance to middle income countries and creditworthy poor countries. The IDA provides grants, concessional finance and technical assistance to low-income countries. The IFC supports the development of the private sector by providing direct finance to private sector operations. MIGA provides guarantee services for projects, which reduce the risks for other co-financing partners including the private sector. ICSID provides international facilities for conciliation and arbitration of investment disputes.

The ADB was established in 1966 and has a mandate to reduce poverty and promote economic development in its developing member countries in Asia and the Pacific. The ADB does this by financing (through a mix of loans, grants, guarantees and co-financing activities with both other donors and the private sector) public sector and private sector activities. It also provides technical assistance to developing member countries so they can improve their policy and business investment environments. A significant portion of the ADB's activities are focused on the infrastructure, transportation and energy sectors.

Accounting Policy – Administered Investments (continued)

The EBRD was established in 1991 to assist former communist eastern European countries committed to the principles of multi-party democracy, pluralism and market economies, to develop their private sector and capital markets. The EBRD operates across a wide space - from Central and Eastern Europe to Central Asia, the Southern and Eastern Mediterranean region and a limited number of countries in sub-Saharan Africa. It provides project financing for new ventures and investments in existing companies. It also works to support privatisation, restructuring state owned firms and improvement of municipal services.

The AIIB was established on 25 December 2015. The AIIB focuses on the development of infrastructure and other productive sectors in Asia. The AIIB also aims to promote interconnectivity and economic integration in the region by working in close collaboration with other multilateral and bilateral development institutions.

Australian Government entities

Administered investments in controlled corporate entities are not consolidated because their consolidation is relevant only at the whole of government level.

The Reserve Bank of Australia (RBA) is Australia's central bank. Its duty is to contribute to the maintenance of price stability, full employment and the economic prosperity and welfare of the Australian people. It does this by setting the cash rate to meet a medium-term inflation target, working to maintain a strong financial system and efficient payments system and issuing the nation's banknotes. The Bank provides selected banking services to the Australian Government and its agencies and to a number of overseas central banks and official institutions. Additionally, it manages Australia's gold and foreign exchange reserves.

The Australian Reinsurance Pool Corporation (ARPC) is a Commonwealth public financial corporation established by the *Terrorism and Cyclone Insurance Act 2003* to administer the terrorism and cyclone reinsurance schemes, providing primary insurers with reinsurance for commercial property and associated business interruption losses arising from a declared terrorist incident or cyclone.

Housing Australia, previously known as National Housing Finance and Investment Corporation, is the independent national housing authority that works with the private sector, community housing providers and all levels of Government to facilitate and deliver programs that help more Australians to access social and affordable housing or to buy a home.

Other investments

The Treasury holds other investments in the International Monetary Fund (IMF) and the Australian Business Growth Fund (ABGF).

Australian Business Growth Fund (ABGF)

The ABGF provides equity funding to eligible small and medium-sized enterprises (SMEs).

The Commonwealth, authorised by the *Australian Business Growth Fund (Coronavirus Economic Response Package) Act 2020*, is a shareholder in the ABGF alongside ANZ, the Commonwealth Bank, the National Australia Bank, Westpac, HSBC and Macquarie Bank. The ABGF operates commercially and is independent of both the Government and the participating banks.

International Monetary Fund (IMF)

The IMF is an organisation with 191 member countries, working to ensure the stability of the international monetary system – the system of exchange rates and international payments that enables countries (and their citizens) to transact with each other. The IMF does this through surveillance, including annual economic assessments of member countries; technical assistance to member countries; and by making resources available (with adequate safeguards) to members experiencing balance of payments difficulties. Quota subscriptions which are denominated in Special Drawing Rights (SDRs) represent a member's shareholding in the IMF and generate most of the IMF's financial resources.

IMF Quota

Quota subscriptions, which are denominated in SDRs represent a member's shareholding in the IMF and generate most of the IMF's financial resources. All member countries of the IMF pay a capital subscription to the IMF, equivalent to their allocated quota and denominated in SDRs. This represents a member's shareholding in the IMF and is disclosed in the financial statements as an administered investment asset.

Accounting Policy - Administered Investments (continued)

IMF SDR Holdings

Australia's Special Drawing Rights (SDR) holdings were SDR of 10.53 billion as at 30 June 2026 (Treasury's share is SDR 5.85 billion and the RBA's share is SDR 4.67 billion) (refer to Note 5.2B for the liability IMF SDR Allocation).

IMF PRGT Investment

Australia entered into an agreement with the IMF in October 2022, to invest SDR 1 billion into the IMF's Pooled Investments strategy. This investment matured following the transfer of the agreed SDR 82 million (net present value) to the IMF's Poverty Reduction and Growth Trust (PRGT) Subsidy Account and the principal and net excess earnings returned to Australia on 1 December 2025. Excess net earnings of $47.0 million (SDR 24.2 million) were paid to Consolidated Revenue on 20 February 2026.

IMF Resilience and Sustainability Trust (RST)

Australia provided SDR of 152.00 million (approximately $300.10 million as at 30 June 2026) to the Resilience and Sustainability Trust (RST) Deposit Account. Australia receives interest on amounts provided to the IMF under the RST Deposit Account. Amounts provided to the IMF under the RST accrue interest daily at the SDR interest rate. The IMF pays interest on RST Deposit amounts quarterly.

Australia holds SDR of 15.2 million (approximately $30.01 million as at 30 June 2026) in the RST Reserve Account. Australia will not receive interest on the funds. Australia will receive repayment of its share of the RST Reserve Account (including any potential earnings or losses) at the liquidation of RST in 2050 or earlier if the RST Reserve Account has sufficient funds at the discretion of the Trustee.

5.2. Administered – Payables

	2026 $'000	2025 $'000
Note 5.2A: Grants		
FRF grants payable	**692,836**	1,019,389
Non-profit organisations	**1,124**	300
Other State and Territory Governments	**-**	949,027
Total grants	**693,960**	1,968,716

Grants are expected to be settled in no more than 12 months.

Note 5.2B: IMF and other payables		
IMF SDR allocation	**18,524,227**	19,673,980
IMF related monies owing	**85,382**	98,134
IMF Maintenance of Value	**-**	478,067
Advances - Housing Australia payable	**123,965**	-
Other payables[1]	**72,301**	57,793
Suppliers[1]	**2,461**	307
Total other payables	**18,808,336**	20,308,281
Other payables expected to be settled		
No more than 12 months	**257,367**	634,301
More than 12 months	**18,550,969**	19,673,980
Total IMF and other payables	**18,808,336**	20,308,281

[1] Comparative balances have been restated to reclassify $57.79 million, being amounts payable in respect of the Commonwealth's subscription to the European Bank for Reconstruction and Development (EBRD), from Suppliers to Other payables. The reclassification better reflects the nature of the obligation.

International Monetary Fund (IMF) Special Drawing Right (SDR) Allocation

The SDR allocation liability reflects the current value in AUD of the Treasury's liability to repay to the IMF the cumulative allocations of SDRs provided to Australia since joining the IMF.

Advances – Housing Australia

Reflects the Commonwealth's Help to Buy Scheme contributions relating to committed properties (i.e. properties with signed agreements in place) that were pending settlement as at reporting date. Refer to Note 5.1B Administered loans and other receivables for further details.

Note 5.2C: Financial guarantees	SME Loan Guarantee Scheme $'000	Show Starter Loan Scheme $'000	SME Recovery Loan Scheme $'000	Standalone Guarantee $'000	Housing Australia 5% Deposit Scheme $'000	Pacific Banking Guarantee $'000	Total $'000
As at 1 July 2025	**37,443**	**8,309**	**414,859**	**41,728**	**21,918**	**-**	**524,257**
New guarantees	-	-	-	-	-	**40,200**	**40,200**
Payment of claims to lenders	**(4,714)**	-	**(61,689)**	**(24,841)**	**(467)**	-	**(91,711)**
Accruals at year end	-	-	-	-	-	-	-
Revaluation	**(13,624)**	**(6,061)**	**(19,765)**	**1,733**	**40,285**	-	**2,568**
Total as at 30 June 2026	**19,105**	**2,248**	**333,405**	**18,620**	**61,736**	**40,200**	**475,314**
Total financial guarantees to be settled							
No more than 12 months	**8,715**	**854**	**72,217**	**6,035**	**6,812**	-	**94,633**
More than 12 months	**10,390**	**1,394**	**261,188**	**12,585**	**54,924**	**40,200**	**380,681**
Total financial guarantees	**19,105**	**2,248**	**333,405**	**18,620**	**61,736**	**40,200**	**475,314**

Accounting Policy

Financial guarantees are financial liabilities measured initially at fair value, then subsequently disclosed at fair value through profit and loss.

Small and Medium Enterprise (SME) Guarantee Scheme and SME Recovery Loan Scheme

The Australian Government provided support for small and medium enterprises during the COVID 19 pandemic through guaranteeing loans issued by participating lenders. This support was provided under a number of schemes.

The Coronavirus Small and Medium Enterprises (SME) Guarantee Scheme provided a guarantee of 50% of the eligible loan amount for eligible SMEs. Phase 1 was available for new loans made by participating lenders over the period from 1 April 2020 to 30 September 2020. Phase 2 of the scheme was operational between 1 October 2020 and 30 June 2021.

The Show Starter Loan Scheme provided a guarantee of 100% of the eligible loan amount for the arts and entertainment businesses. This scheme ceased on 30 June 2021.

The SME Recovery Loan Scheme (SMERLS) guarantees up to 80% of the eligible loans to support businesses impacted by the Coronavirus pandemic and was further expanded to include businesses in flood affected areas and those eligible for Job Keeper supplements between 4 January 2021 and 28 March 2021. Loans for businesses who were in receipt of Job Keeper payments commenced on 1 April 2021 and ceased on 30 September 2021. Loans for flood affected business commenced on 1 April 2021 and ceased on 31 December 2021. Loans under SMERLS commenced on 1 January 2022 and ceased on 30 June 2022. Loans issued from 1 April 2021 to 31 December 2021 have 80% of the eligible loan guaranteed, and loans issued from 1 January 2022 to 30 June 2022 have 50% of the eligible loan guaranteed.

The Standalone Guarantee is a government guarantee under section 60 of the *Public Governance, Performance and Accountability Act 2013* in respect of a parcel of loans written to small and medium enterprises.

Under each of the above schemes, the Australian Government guaranteed to pay an approved lender in the event of default by small and medium enterprises. Although all schemes have closed to new loans, the risk to the Australian Government remains until the final claim date for the SME Recovery Loan Scheme on 30 September 2033.

Accounting judgements and estimates

The Australian Government Actuary (AGA) has provided a valuation of the SME loan guarantee scheme, Show Starter loan scheme, SME Recovery loan scheme and Standalone Guarantee as at 30 June 2026. The key assumptions used by the AGA are:

- a default rate of 7% for loans under the SME Guarantee Scheme (2025: 7%);

- a default rate of 12% for SME Recovery Loan Scheme (2025: 12%);

- a default rate of 15% for all other loans (2025: 15%);

- a rate of recovery of 15% (2025: 20%) applies to the proportion of loans where additional security has been provided;

- 10% allowance (2025: 10%) for fees and interest in addition to the assumed claim amount;

- a pattern of delay between maturity date and claim payment date;

- claim applications pending decision as at 30 June 2026 will result in a payment; and

- expected losses are calculated by applying various factors to the outstanding loan balances. In 2025-26, AGA has incorporated the value of impaired loans into the expected losses calculation. Expected losses are then allocated to payment months according to the distribution of maturity dates demonstrated by the individual loan data and the assumed distribution of delays from loan maturity to claim payment.

Australian Government 5% Deposit Scheme

The Australian Government 5% Deposit Scheme (previously named Home Guarantee Schemes) represents the Treasury's estimate of future claim payments arising from guarantees issued under the scheme as at balance date. The Australian Government 5% Deposit Scheme (5DS) comprises the First Home Guarantee, the New Home Guarantee, the Family Home Guarantee and the Regional First Home Buyer Guarantee schemes.

The First Home Guarantee was established to assist first home buyers who do not have a deposit of 20% of the property value. Under the scheme, the Government guarantees up to 15% of the value of new loans issued by eligible lenders to first home buyers, being the portion of the loan above a loan to value ratio of 80%. From 1 July 2022 to 30 September 2025, 35,000 places are available to eligible first home buyers each financial year. From 1 October 2025, the number of places guaranteed was changed to be uncapped, income caps were removed, and property price caps were increased.

The New Home Guarantee is an extension of the First Home Guarantee by the issue of two tranches of 10,000 guarantees in each of 2020-21 and 2021-22, specifically for the building or purchasing of new dwellings. The New Home Guarantee was closed to new applications from 1 July 2022.

The Family Home Guarantee aims to support eligible single parents or single legal guardians of at least one dependent child in purchasing a family home, regardless of whether the single parent or single legal guardian is a first home buyer or a previous homeowner. Under the scheme, the Government guarantees up to 18% of the value of new loans issued by eligible lenders to home buyers, being the portion of the loan above a loan to value ratio of 80%. From 1 July 2022, 5,000 places are available in each financial year to eligible home buyers.

The Regional First Home Buyer Guarantee commenced in October 2022 and aims to help first home buyers to purchase a home in regional Australia. A total of 10,000 guarantees will be made available each year. This scheme closed to new places on 30 September 2025 and any existing demand is assumed to be rolled into the new First Home Guarantee scheme.

From 1 July 2023, scheme eligibility was extended to allow permanent residents, joint applications, single legal guardians of children and non-first home buyers where they have not owned a property in Australia in the past 10 years to access the scheme. The legislated equal split of guarantees allocated to major and non-major lenders was also removed.

The 5% Deposit Scheme is administered by Housing Australia.

Accounting judgement and estimates

The AGA has provided a valuation of the Australian Government 5% Deposit Scheme as at 30 June 2026. The valuation results incorporate estimates and assumptions that support future property growth, mortgage rates and default rates based on available market data and scheme experience.

Pacific Banking Guarantee

On 1 October 2025, the Commonwealth entered a limited financial guarantee with Australia and New Zealand Banking Group Limited (ANZ) in respect of its banking operations in Cook Islands, Fiji, Kiribati, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tonga and Vanuatu. The guarantee has a maximum exposure of $2.0 billion and a term of up to 10 years, with an annual fee payable by ANZ. The financial guarantee is initially recognised at fair value. At each reporting date, it is re-measured to reflect the estimated cost of expected losses under the guarantee, with changes recognised in profit or loss. This estimate considers current and forward-looking information regarding the likelihood of default and the Commonwealth's potential exposure.

Accounting judgement and estimates

The AGA provided a valuation of the Pacific Banking Guarantee liability as at 30 June 2026. The valuation results incorporate estimates and assumptions of future exposure growth, sovereign default risk and recovery rates. The assumed exposure growth, default rates and recovery rates are based on market data and experience. Future expected losses are discounted using Commonwealth Government bond yields at the reporting date.

5.3. Administered – Financial Liabilities

	2026 $'000	2025 $'000
Note 5.3A: Promissory notes		
IMF promissory notes	**9,115,214**	9,292,838
Other promissory notes	**64,649**	67,797
Total promissory notes	**9,179,863**	9,360,635
Promissory notes expected to be settled		
More than 5 years	**9,179,863**	9,360,635
Total promissory notes	**9,179,863**	9,360,635

Accounting Policy

Promissory notes

Promissory notes have been issued to the International Monetary Fund (IMF), the International Bank for Reconstruction and Development (IBRD), and the Multilateral Investment Guarantee Agency (MIGA).

Under the IMF Articles of Agreement, members are required to maintain the Special Drawing Rights (SDR) value of their quota through a 'maintenance of value' adjustment. The maintenance of value adjustment is adjusted by issuing/cancelling promissory notes and payments/receipts in Australian dollars and is recognised as an exchange rate gain or loss. The issuing/cancelling of promissory note is also be used to adjust the IMF's cash holdings of Australian dollars and to maintain the required IMF cash account balance. Promissory notes are also issued as part of a quota increase. These promissory notes are Australian dollar denominated and non-interest bearing.

Investments into the IBRD and MIGA are generally not funded with cash but with a promissory note, representing a call option by the IBRD and MIGA for the cash owed under the initial investment. These promissory notes relate to undrawn paid-in capital subscriptions and represent a portion of the members' shareholding.

	$'000	$'000
Note 5.3B: Loan commitments		
Loan commitment liability - States and Territories	**47,022**	-
Loan commitment liability - Housing Australia	**2,599,353**	-
Total Note 5.3B: Loan commitments	**2,646,375**	-
Loan commitments expected to be settled		
No more than 12 months	**1,208,183**	-
More than 12 months	**1,438,192**	-
Total loan commitments	**2,646,375**	-

Accounting Policy

Loan commitments

Treasury entered into agreements committing to provide below-market rate loans in future periods to Housing Australia under the HAFFF and the NHAF, and to the States and Territories under designated housing agreements supporting the 100,000 Homes for First Home Buyers program. As these commitments are to provide loans at a below-market rate of interest, a liability is recognised when the Treasury becomes party to the agreement. A corresponding expense is also recognised, refer to Note 4.1E.

Accounting Judgements and Estimates

Measuring the concession attached to undrawn commitments requires judgement in estimating the market equivalent interest rate, the expected timing and amount of future drawdowns, and the repayment profile of the loans once drawn. The loan commitment is measured at fair value through profit and loss and remeasured at each reporting date, with changes recognised in the Administered Schedule of Comprehensive Income. Refer to Notes 7.4A and 7.6.

5.4. Administered – Provisions

	2026 $'000	2025 $'000
Note 5.4A: Provisions		
Disaster Recovery Funding Arrangements	**12,047,949**	16,551,335
Total provisions	**12,047,949**	16,551,335
Provisions expected to be settled		
No more than 12 months	**6,116,219**	4,064,776
More than 12 months	**5,931,730**	12,486,559
Total provisions	**12,047,949**	16,551,335

	DRFA $'000	Total $'000
As at 1 July 2025	**16,551,334**	**16,551,334**
Discount rate unwind	**485,650**	**485,650**
Payments made	**(5,218,343)**	**(5,218,343)**
Discount rate change	**(134,611)**	**(134,611)**
Revaluation of prior year estimates	**(2,001,688)**	**(2,001,688)**
Additional provisions made for events since 30 June 2025	**2,365,607**	**2,365,607**
Total as at 30 June 2026	**12,047,949**	**12,047,949**

Accounting judgements and estimates

Disaster Recovery Funding Arrangements (DRFA) Provision

The DRFA provision represents the Treasury's best estimate of payments expected to be made to States and Territories as at balance date. The DRFA provision reflects an estimate of future payments and will be subject to eligibility requirements. This does not represent agreed funding between the Commonwealth and the States or Territories. The *Disaster Recovery Funding Arrangements 2018* arrangement applies from 1 November 2018 and all eligible events captured in the provision are governed by the DRFA Determination.

States and Territories were requested to provide to the National Emergency Management Agency (NEMA) an estimate of costs expected to be incurred for disasters affecting States and Territories that occurred prior to 1 July 2026 which would be eligible for assistance. The signed representations from the States and Territories are quality assured by the NEMA, which in turn provides a certification of the expenditure estimates to the Treasury.

For categories of events requiring Prime Minister approval (i.e. category C and D) the Treasury accounts for payments made to States and Territories under DRFA by recognising a liability equal to the discounted value of estimated future payments to States and Territories regardless of whether or not a State or Territory has completed eligible disaster reconstruction work or submitted an eligible claim to the Commonwealth.

For categories of events not requiring Prime Minister approval (i.e. category A and B) the Treasury engaged the Australian Government Actuary (AGA) to estimate the value of the liability as at 30 June 2026. The valuation model incorporates estimates reported by the States and Territories to NEMA (as described above), as well as allowances for projected cost development on events with reported estimates and for recent events that do not have reported estimates. The model outcome is then discounted to present value.

The DRFA provides a number of assistance measures that are described on the NEMA website. Disasters are reported on the Disaster Assist website.

Actuarial Approach and Assumptions

There is a high degree of uncertainty inherent in estimating the impact of natural disaster events and, therefore, the cost to the Commonwealth. The AGA's actuarial approach applies a combination of a cost development model and a geospatial model to project the expenditure in respect of disaster events occurring prior to the valuation date.

Uncertainty is highest for events closest to the valuation date, where there is very little information known about the potential costs and any reported State/Territory estimates are likely to be revised over time as information emerges. In assessing which model to use for each event, a decision criterion, outlined below, is applied based on the quantitative significance of the event and the time elapsed since the event date.

Type of event	Time since event	Model used
Significant[1]	Less than three months	• Geospatial Model • Reported estimates are considered if available
Significant	Three to six months	• A credibility weighting approach is applied, assigning equal weight (50 per cent) to both the Geospatial and Development Models
Other with no reported estimates	Less than six months	• Geospatial Model
Other with reported estimates	Less than six months	• Development Model
All (both significant and other) with reported estimates[2]	Older than six months	• Development Model

[1] Significant events are defined as a major natural disaster expected to result in a Commonwealth outlay of greater than $500 million.

[2] Events older than six months with nil estimates are assumed to be immaterial unless other information suggests otherwise.

The development model used to support the valuation of the categories of events not requiring Prime Minister approval relies on historical estimates and claims data and observes patterns in the 'development' of reported costs over time provided by the States and Territories to NEMA. The 'development factors' used in the valuation are based on analysis of historical disaster expenditure since 2018, which can then be applied to more recent events to estimate ultimate costs, assuming patterns of development in the future will be similar to those observed in the past. These approaches are only suitable for events with reported estimates or claims information at the valuation date. Given the uncertainty inherent in recent events, the adoption of a longer data series (i.e. 2018 onwards) reduces the volatility in the development factors. As the model is based on historical trends, development factors will be refined over time.

The geospatial model combines high resolution spatial hazard data and past DRFA expenditure data to estimate the potential cost of natural disaster events before State/Territory estimates are available. For the 30 June 2026 valuation there was a change in the availability of high resolution spatial hazard flood data inputs which resulted in a change to the geospatial model methodology for estimating recent flood event costs. While the alternative methodology allows estimates for recent flood events to be produced in the absence of detailed observed flood extent data, it does not capture event-specific characteristics, in particular differences in flood extent relative to previous events, resulting in a higher degree of uncertainty. One event was modelled utilising this alternative methodology and due to the time elapsed since the event a credibility weighted approach was applied (consistent with the model decision criteria). This was the only event modelled utilising the credibility weighting approach.

When preparing the 30 June 2026 valuation there was one significant event where judgement was applied to utilise a different model approach than outlined in the above decision criterion. The time since the significant event occurred was almost six months, which would have resulted in a credibility weighting approach being applied. However, the reported estimates exceeded the geospatial model estimate and as such the development model was applied using a 100% weighting. Had the credibility weighting approach been utilised the total provision balance would be $5.2 million (0.00%) lower.

Combining these two models yields a projection of expenditure for all events that occurred prior to the valuation date. The DRFA reimbursement calculation estimate is applied to calculate the Commonwealth reimbursement payable in each year of the projection. The projected Commonwealth reimbursements are then discounted to estimate the Commonwealth's liability (provision) in respect of future DRFA payments at the valuation date.

Sensitivity Analysis

Noting the uncertainty in calculating the provision, the following sensitivity analysis is included to demonstrate how the balance of the provision could be impacted by changes in actuarial assumptions. The sensitivities do not represent an upper or lower estimate of the provision but provide an indication of the uncertainty inherent in the provision. For each row in the sensitivity analysis below, only the item specified is changed, holding all else constant. The 10% movement to the cumulative development factors approximates the impact on the provision when the development factors are calculated using more recent and volatile data (i.e. less than four years).

Sensitivity	Liability estimate ($m)	Percentage change
Base valuation result	12,047.9	
Liability calculated using reported state/territory expenditure estimates only	10,638.5	(11.7%)
Estimates for events subject to the credibility weighting approach are based only on the development model	12,593.0	4.5%
Estimates for events subject to the credibility weighting approach are based only on the geospatial model	11,534.3	(4.3%)
Cumulative development factors are 10% higher than assumed	12,376.4	2.7%
Cumulative development factors are 10% lower than assumed	11,800.9	(2.1%)
Development factors are calculated using data for events since 30 June 2022 (instead of June 2018)	12,377.2	2.7%

Composition of the Provision

The composition of the provision of $12.05 billion as at 30 June 2026 comprises:

- $10.64 billion to reflect estimates of eligible unacquitted expenditure reported by the states and territories as at 30 June 2026; and
- $1.41 billion to allow for projected development on events with reported estimates and recent events that do not have reported estimates at the valuation date.

6. Funding

This section identifies the Treasury funding structure.

6.1. Appropriations

Note 6.1A: Annual Appropriations

Annual Appropriations for 2025-26

		Appropriation Adjustments				
	Annual Appropriation[1] $'000	Section 74 Receipts[2] $'000	Section 75 Transfers $'000	Total appropriation $'000	Appropriation applied in 2026 (current and prior years) $'000	Variance[3,4] $'000
DEPARTMENTAL						
Ordinary annual services	371,792	31,999	9,359	413,150	(413,967)	(817)
Capital Budget	3,560	-	-	3,560	(2,572)	988
Total departmental	**375,352**	**31,999**	**9,359**	**416,710**	**(416,539)**	**171**
ADMINISTERED						
Ordinary annual services						
Administered items	**231,277**	**-**	**55,339**	**286,616**	**(235,475)**	**51,141**
Payments to Corporate Commonwealth Entities	**6,277**	**-**	**-**	**6,277**	**(6,277)**	**-**
Other services						
Administered assets and liabilities	**1,990,151**	**-**	**-**	**1,990,151**	**(445,865)**	**1,544,286**
Total administered	**2,227,705**	**-**	**55,339**	**2,283,044**	**(687,617)**	**1,595,427**

1. In 2025-26 the revenue from government reported in the statement of comprehensive income is $381.15 million, the $9.36 million difference relates to section 75 of the PGPA Act.
2. Adjustments to appropriations include GST related receipts retained under the section 74 of the PGPA Act.
3. Departmental Capital Budgets are appropriated through Appropriation Act (No.1). They form part of ordinary annual services and are not separately identified in the Appropriation Acts.
4. The current year unspent administered appropriation includes $1,219.11 million subject to section 51 of PGPA Act withholding quarantine, these funds are considered legally available appropriation as at 30 June 2026.

Annual Appropriations 2024-25

		Appropriation Adjustments				
	Annual Appropriation[1] $'000	Section 74 Receipts[2] $'000	Section 75 Transfers[5] $'000	Total appropriation $'000	Appropriation applied in 2025 (current and prior years) $'000	Variance[3,4] $'000
DEPARTMENTAL						
Ordinary annual services	398,889	33,812	-	432,701	(411,736)	20,965
Capital Budget	3,537	-	-	3,537	(3,164)	373
Total departmental	402,426	33,812	-	436,238	(414,900)	21,338
ADMINISTERED						
Ordinary annual services						
Administered items	177,397	-	-	177,397	(127,678)	49,719
Payments to Corporate Commonwealth Entities	5,428	-	-	5,428	(5,428)	-
Other services						
Administered assets and liabilities	1,544,000	-	-	1,544,000	(635,379)	908,621
Total administered	1,726,825	-	-	1,726,825	(768,485)	958,340

1. In 2024-25 the revenue from government reported in the statement of comprehensive income was $398.52 million, the $0.37 million difference relates to section 51 of the PGPA Act with a determination date of 27 June 2025.
2. Adjustments to appropriations include GST related receipts retained under the section 74 of the PGPA Act.
3. Departmental Capital Budgets are appropriated through Appropriation Act (No.1). They form part of ordinary annual services and are not separately identified in the Appropriation Acts.
4. The prior year unspent administered appropriation included $584.56 million subject to section 51 of PGPA Act withholding quarantine, these funds are considered legally available appropriation as at 30 June 2025.
5. There were nil section 75 transfers recognised during 2024-25.

Note 6.1B: Unspent Annual Appropriations ('recoverable GST exclusive')

Authority	2026 $'000	2025 $'000
Departmental		
Supply Act (No. 1) 2022-23 - DCB[1]	-	3,682
Supply Act (No. 2) 2022-23 - Equity[1]	-	126
Supply Act (No. 3) 2022-23 - DCB[1]	-	1,675
Supply Act (No. 4) 2022-23 - Equity[1]	-	177
Appropriation Act (No. 1) 2023-24[2,3]	2,204	2,204
Appropriation Act (No. 1) 2024-25[4,5]	371	125,415
Appropriation Act (No. 1) 2024-25 - DCB	-	578
Appropriation Act (No. 3) 2024-25[6]	-	9,550
Supply Act (No.1) 2025-2026 - DCB[7]	1,484	-
Appropriation Act (No. 1) 2025-2026	103,054	-
Appropriation Act (No. 1) 2025-2026 - DCB	82	-
Appropriation Act (No. 3) 2025-2026	17,648	-
Appropriation Act (No. 5) 2025-2026	4,347	-
Cash at Bank	12,988	749
Total departmental	**142,178**	144,156
Administered	-	
Supply Act (No. 1) 2022-2023[8]	-	646
Appropriation Act (No. 1) 2022-2023[8]	-	8,545
Appropriation Act (No. 1) 2023-2024[9,10,11]	**54,581**	14,287
Appropriation Act (No. 3) 2023-2024[9,12,13]	**40,254**	39,468
Appropriation Act (No. 4) 2023-2024[9,14]	**525,000**	525,000
Appropriation Act (No. 1) 2024-2025[15,16]	**66,806**	45,251
Appropriation Act (No. 2) 2024-2025[17]	**908,621**	908,621
Appropriation Act (No. 3) 2024-2025[18,19]	**24,938**	4,768
Supply Act (No.1) 2025-2026[20]	**273**	-
Supply Act (No.2) 2025-2026	**260,264**	-
Appropriation Act (No. 1) 2025-2026[21]	**8,697**	-
Appropriation Act (No. 2) 2025-2026[22]	**958,122**	-
Appropriation Act (No. 3) 2025-2026[23]	**73,263**	-
Appropriation Act (No. 4) 2025-2026[24]	**325,900**	-
Appropriation Act (No. 5) 2025-2026	**6,794**	-
Total administered	**3,253,513**	1,546,586

1. 2022-23 Appropriation Acts were repealed on 1 July 2025.
2. 2023-24 Appropriation Act will self-repeal on 1 July 2026.
3. Appropriation Act (No.1) 2023-24 - Operating includes reallocated funds of $2.21 million, the funds are subject to PGPA Act section 51 withholding quarantine and are considered legally available appropriations as at 30 June 2026.
4. Appropriation Act (No.1) 2024-25 - Operating increased by $3.06 million from the 2024-25 financial year due to section 75 transfers relating to the Bankruptcy, Personal property securities, and Consumer credit reporting and Housing, rental and homelessness restructure, refer Note 8.2A.
5. Appropriation Act (No.1) 2024-25 - Operating includes reallocated funds of $0.37 million, the funds are subject to PGPA Act section 51 withholding quarantine and are considered legally available appropriations as at 30 June 2026.
6. Appropriation Act (No.3) 2024-25 - Operating increased by $0.45 million due to a section 75 transfer relating to the Cities, Land and Planning restructure, refer Note 8.2A.
7. Supply Act (No.1) 2025-26 - Operating increased by $9.36 million due to section 75 transfers relating to the Bankruptcy, Personal property securities, and Consumer credit reporting and Housing, rental and homelessness, and Cities, Land and Planning restructure, refer Note 8.2A.
8. 2022-23 Appropriation Acts were repealed on 1 July 2025.
9. 2023-24 Appropriation Act will self-repeal on 1 July 2026.
10. Appropriation Act (No.1) 2023-24 includes unspent funds of $14.02 million, the funds are subject to PGPA Act section 51 withholding quarantine and are considered legally available appropriations as at 30 June 2026.
11. Appropriation Act (No.1) 2023-24 increased by $48.14 million due to section 75 transfer.
12. Appropriation Act (No.3) 2023-24 includes unspent funds of $39.14 million, the funds are subject to PGPA Act section 51 withholding quarantine and are considered legally available appropriations as at 30 June 2026.
13. Appropriation Act (No.3) 2023-24 increased by $0.79 million due to section 75 transfer.
14. Appropriation Act (No.4) 2023-24 includes unspent funds of $525.00 million, the funds are subject to PGPA Act section 51 withholding quarantine and are considered legally available appropriations as at 30 June 2026.

15. Appropriation Act (No.1) 2024-25 includes unspent funds of $42.06 million, the funds are subject to PGPA Act section 51 withholding quarantine and are considered legally available appropriations as at 30 June 2026.
16. Appropriation Act (No.1) 2024-25 increased by $51.59 million due to section 75 transfer.
17. Appropriation Act (No.2) 2024-25 includes unspent funds of $562.17 million, the funds are subject to PGPA Act section 51 withholding quarantine and are considered legally available appropriations as at 30 June 2026.
18. Appropriation Act (No.3) 2024-25 includes unspent funds of $9.38 million, the funds are subject to PGPA Act section 51 withholding quarantine and are considered legally available appropriations as at 30 June 2026.
19. Appropriation Act (No.3) 2024-25 increased by $20.17 million due to section 75 transfer.
20. Supply Act (No.1) 2025-26 increased by $55.34 million due to section 75 transfer.
21. Appropriation Act (No.1) 2025-26 includes unspent funds of $5.45 million, the funds are subject to PGPA Act section 51 withholding quarantine and are considered legally available appropriations as at 30 June 2026.
22. Appropriation Act (No.2) 2025-26 includes unspent funds of $939.53 million, the funds are subject to PGPA Act section 51 withholding quarantine and are considered legally available appropriations as at 30 June 2026.
23. Appropriation Act (No.3) 2025-26 includes unspent funds of $23.21 million, the funds are subject to PGPA Act section 51 withholding quarantine and are considered legally available appropriations as at 30 June 2026.
24. Appropriation Act (No.4) 2025-26 includes unspent funds of $250.92 million, the funds are subject to PGPA Act section 51 withholding quarantine and are considered legally available appropriations as at 30 June 2026.

Note 6.1C: Special Appropriations ('recoverable GST exclusive')

	Appropriation applied	
	2026	2025
Authority	**$'000**	$'000
Australian Business Growth Fund (Coronavirus Economic Response Package) Act 2020, s18	**(10,185)**	(4,630)
Corporations Act 2001, s1069P(2)	**(97,798)**	(264,995)
European Bank for Reconstruction and Development Act 1990, s4	**(13,218)**	(13,815)
Federal Financial Relations Act 2009, s22	**(138,861,260)**	(128,699,197)
Guarantee of Lending to Small and Medium Enterprises (Coronavirus Economic Response Package) Act 2020, s6	**(68,562)**	(50,936)
Help to Buy Act 2024, s27(4)[1]	**(808,333)**	(25)
Housing Australia Act 2018, s48A[2]	**(543)**	-
International Monetary Agreements Act 1947 - s7(4)	**(180,317)**	-
International Monetary Agreements Act 1947, s8	**(531,844)**	(677,683)
International Monetary Agreements Act 1947, s8C(3)	**-**	(570,000)
Public Governance, Performance and Accountability Act 2013, s.77	**(2,894)**	(18)
Total payments	**(140,574,954)**	(130,281,299)
Notional payments		
Commonwealth Places (Mirror Taxes) Act 1998, s23(4)[3]	**(1,031,687)**	(968,397)
Total notional payments	**(1,031,687)**	(968,397)
Total special appropriations	**(141,606,641)**	(131,249,696)

1. *Help to Buy Act 2024* is a shared equity scheme administered by Housing Australia.
2. From 12 October 2023, the National Housing Finance and Investment Corporation became Housing Australia. This special appropriation as previously in force is continued in existence under section 48A of the Housing Australia Act 2018.
3. The Australian Government's mirror taxes arrangements mirror certain state taxes, including payroll taxes, land taxes and stamp duties, with respect to Commonwealth places. The States and Territories (the States) collect these mirror taxes on behalf of the Australian Government and bear the administrative cost of collection. All mirror taxes are credited to the Australian Government and simultaneously appropriated to the States.

The following special appropriations were not drawn upon in the current or prior year:

Asian Development Bank (Additional Subscription) Act 1972, s7
Asian Development Bank (Additional Subscription) Act 1977, s7
Asian Development Bank (Additional Subscription) Act 1983, s6
Asian Development Bank (Additional Subscription) Act 1995, s6
Asian Development Bank (Additional Subscription) Act 2009, s6
Asian Development Bank Act 1966, s4
Asian Infrastructure Investment Bank Act 2015, s7
Banking Act 1959, s69(8)
Corporations Act 2001, s846B
Financial Agreements (Commonwealth Liability) Act 1932, s4(3)

Guarantee of State and Territory Borrowing Appropriation Act 2009, s5
Guarantee Scheme for Large Deposits and Wholesale Funding Appropriation Act 2008, s5
International Bank for Reconstruction and Development (General Capital Increase) Act 1989, s6
International Bank for Reconstruction and Development (Share Increase) Act 1988, s5(1)
International Finance Corporation Act 1955, ss5, s5B(2)
International Financial Institutions (Share Increase) Act 1982, s7(1)
International Financial Institutions (Share Increase) Act 1986, s7(1)
International Monetary Agreements Act 1947, s5A(6)
International Monetary Agreements Act 1947, s8CA(4)
International Monetary Agreements Act 1947, s8A
International Monetary Agreements Act 1947, s8CAA(2)
International Monetary Agreements Act 1947, s8B(2)
International Monetary Agreements Act 1947, s9
International Monetary Agreements Act 1960, s4
International Monetary Agreements Act 1974, s6
Medicare Guarantee Act 2017, s18
Multilateral Investment Guarantee Agency Act 1997, s4
Pacific Banking Guarantee Act 2025, s.5(1)
Papua New Guinea Loans Guarantee Act 1975, s4
States Grants Act 1927, s7
Superannuation Industry (Supervision) Act 1993, s231(4)
Terrorism and Cyclone Insurance Act 2003, ss37, s42(3)

Note 6.1D: Disclosure by agent in relation to Annual and Special Appropriations ('Recoverable GST exclusive')

	Department of Education Payments to the States and Territories:	**Department of Climate Change, Energy, the Environment and Water**[1] Payments to the States and Territories:	**The Inspector-General of Taxation and Taxation Ombudsman** [2]	
	Education services	Water for the Environment Special Account	Ordinary Annual Services of the Government	Capital Budget
2026	**$'000**	**$'000**	**$'000**	**$'000**
Total receipts	**34,931,273**	**91,907**	**348**	**-**
Total payments	**34,931,273**	**91,907**	**8,965**	**-**

	Department of Education Payments to the States and Territories:	**Department of Climate Change, Energy, the Environment and Water** Payments to the States and Territories:	**The Inspector-General of Taxation and Taxation Ombudsman** [2]	
	Education services	Water for the Environment Special Account	Ordinary Annual Services of the Government	Capital Budget
2025	$'000	$'000	$'000	$'000
Total receipts	33,010,710	75,920	230	-
Total payments	33,010,710	75,920	7,248	21

[1] Total receipts and total payments are made through the Treasury on behalf of other Commonwealth entities to State and Territory Treasuries under the Federation Reform Fund (FRF) arrangements.
[2] As per the Service Level Agreement, Treasury draw down all appropriations to fund operating and capital expenditure on behalf of the Inspector-General of Taxation and Taxation Ombudsman.

6.2. Special Accounts

	Housing Australia Special Account[1]		Medicare Guarantee Fund (Treasury) Special Account[2]		The Housing Australia Future Fund Payments Special Account[3],[4]	
	2026	2025	**2026**	2025	**2026**	2025
	$'000	$'000	**$'000**	$'000	**$'000**	$'000
Balance as at 1 July (represented by cash held in the OPA)	**883,549**	203,163	**-**	-	**117,124**	-
Increases						
Appropriations credited	**947,369**	558,827	**-**	-	**-**	-
Statutory credits	**-**	-	**57,541,247**	46,000,000	**-**	-
Other receipts	**28,017**	281,748	**-**	-	**250**	400,000
Total increases	**975,386**	840,575	**57,541,247**	46,000,000	**250**	400,000
Available for payments	**1,858,935**	1,043,738	**57,541,247**	46,000,000	**117,374**	400,000
Decreases						
Payments made to other entities	**(1,195,041)**	(160,189)	**-**	-	**(37,505)**	(282,876)
Transfers made to Medicare Guarantee Fund (Health) Special Account	**-**	-	**(57,541,247)**	(46,000,000)	**-**	-
Total decreases	**(1,195,041)**	(160,189)	**(57,541,247)**	(46,000,000)	**(37,505)**	(282,876)
Total balance carried to the next period	**663,894**	883,549	**-**	-	**79,869**	117,124
Balance represented by						
Cash held in Official Public Account	**663,894**	883,549	**-**	-	**79,869**	117,124
Balance as at 30 June (represented by cash held in the OPA)	**663,894**	883,549	**-**	-	**79,869**	117,124

[1] Appropriation: *Public Governance, Performance and Accountability Act 2013*, section 80.
Establishing instrument: *Housing Australia Act 2018*, section 47A.
From 12 October 2023, the National Housing Finance and Investment Corporation became Housing Australia.
The special account established by this section as previously in force is continued in existence under the name Housing Australia special account. The special account was originally named the National Housing Finance and Investment Corporation special account.
Purpose: Housing Australia may make grants or loans in the performance of its financing function or in relation to acute housing needs, social housing or affordable housing. Housing Australia may also make loans for other purposes as agreed between the Minister and the Finance Minister in accordance with the Investment Mandate.
Any principal repayment to the Commonwealth through this Account, may be "recycled" and the amount re-issued. Interest is used to cover the Commonwealth's cost of borrowing and cannot be "recycled".

[2] Appropriation: *Public Governance, Performance and Accountability Act 2013*, section 80.

Establishing instrument: *Medicare Guarantee Act 2017*, section 6.

Purpose: *The Medicare Guarantee Act 2017* (the Act) is to secure ongoing funding of the Medical Benefits Schedule (MBS) and Pharmaceutical Benefits Scheme (PBS).

The Act establishes the Medicare Guarantee Fund (MGF), which consists of the Medicare Guarantee Fund (Treasury) Special Account (Treasury Special Account) and the Medicare Guarantee Fund (Health) Special Account (Health Special Account). The Treasury Special Account is administered by the Department of the Treasury and the Health Special Account is administered by the Department of Health, Disability and Ageing.

[3] Appropriation: *Public Governance, Performance and Accountability Act 2013*, section 80.

Establishing instrument: *Housing Australia Future Fund Act 2023*, section 25.

Purpose: *The Housing Australia Future Fund Act 2023* (the Act) established the Housing Australia Future Fund as a dedicated investment vehicle to provide additional funding to support and increase social and affordable housing, as well

as other acute housing needs including, but not limited to, the particular needs of Indigenous communities and housing services for women, children and veterans.

[4] The Department of Social Services and the Department of Veterans' Affairs spent money from the Consolidated Revenue Fund on behalf of the department against the Special Account for Housing Australia Future Fund Act 2023.

6.2 Special Accounts (continued)

	Federation Reform Fund Special Account[5]		Fuel Indexation (Road Funding) Special Account[6]		Australian Building Codes Board Special Account[7]	
	2026	2025	**2026**	2025	**2026**	2025
	$'000	$'000	**$'000**	$'000	**$'000**	$'000
Balance as at 1 July (represented by cash held in the OPA)	**409,829**	4,700	**-**	-	**-**	-
Increases						
Statutory credits	**26,543,155**	22,598,966	**3,215,000**	2,688,000	**-**	-
Appropriations Transferred					**9,328**	
Other receipts	**3,432,914**	3,012,934	**-**	-	**6,659**	-
Total increases	**29,976,069**	25,611,900	**3,215,000**	2,688,000	**15,987**	-
Available for payments	**30,385,898**	25,616,600	**3,215,000**	2,688,000	**15,987**	-
Decreases						
Payments made to States and Territories	**(29,925,444)**	(25,206,771)	**-**	-	**-**	-
Transfer made to Federation Reform Fund Special Account	**-**	-	**(3,215,000)**	(2,688,000)	**-**	-
Other payments	**-**	-	**-**	-	**(5,430)**	-
Total decreases	**(29,925,444)**	(25,206,771)	**(3,215,000)**	(2,688,000)	**(5,430)**	-
Total balance carried to the next period	**460,454**	409,829	**-**	-	**10,557**	-
Balance represented by						
Cash held in Entity Bank Account	**-**	-	**-**	-	**1,000**	-
Cash held in Official Public Account	**460,454**	409,829	**-**	-	**9,557**	-
Total balance carried to the next period	**460,454**	409,829	**-**	-	**10,557**	-

[5] Appropriation: *Public Governance, Performance and Accountability Act 2013*, section 80.
Establishing instrument: *Federation Reform Fund Act 2008*, section 5.
Purpose: For the making of grants of financial assistance to the States and Territories.
Note: The Treasury makes payments to the States and Territories from *the* Federation Reform Fund special account based on information provided by other Government departments that have policy and program implementation responsibility.

[6] Appropriation: *Public Governance, Performance and Accountability Act 2013*, section 80.
Establishing instrument: *Fuel Indexation (Road Funding) Special Account Act 2015*, section 7.
Purpose: To ensure that amounts equal to the net revenue from indexation on customs and excise duties on fuel are transferred to the Federation Reform Fund in order to provide funding to the States and Territories for expenditure in relation to Australian road infrastructure investment.

[7] Appropriation: *Public Governance, Performance and Accountability Act 2013*, section 78.
Establishing instrument: *Australian Building Codes Board Special Account 2019 (amended 2025)*
Purpose: For expenditure towards creating nationally consistent building codes, standards, regulatory requirements, educational guidance materials and regulatory systems in design, construction and use of buildings. Refer to Note 8.2.

Financial System Stability Special Account
The Treasury's Financial System Stability special account was established under section 70E of the *Banking Act 1959* for the making of payments authorised under specified sections of the *Banking Act 1959*, the *Insurance Act 1973* and the *Life Insurance Act 1995* and to meet expenses of administering the special account. For the period ended 30 June 2025 and 30 June 2026 this special account had nil balance and no transactions were credited or debited to the account.

Services for Other Entities and Trust Monies Special Account (SOETM)
The Treasury's SOETM special account 2022 was established under the *Public Governance, Performance and Accountability Act 2013*, section 78 by the establishing instrument PGPA Act Determination (Treasury SOETM Special Account 2022). This instrument came into effect on 28 September 2022. The SOETM's purpose is to disburse amounts held on trust for the benefit of a person other than the Commonwealth or in connection with services performed on behalf of other governments and bodies. For the period ended 30 June 2025 and 30 June 2026 this account held a nil balance and no transactions were credits or debited to the account.

6.3 Net Cash Appropriation Arrangements

	2026	2025
	$'000	$'000
Total comprehensive income/(loss) - as per the Statement of Comprehensive Income	449	(1,104)
Plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections)[1]	6,961	8,043
Plus: depreciation of right-of-use assets[2]	13,445	12,784
Less: lease principal repayments[2]	(12,361)	(10,842)
Total comprehensive income/(loss) less expenses previously funded through revenue appropriations	**8,494**	8,881
Changes in asset revaluation reserve	-	(8)
Net cash Operating Surplus/(Deficit)	**8,494**	8,873

1. From 2011, the Government introduced net cash appropriation arrangements where revenue appropriations for depreciation and amortisation expenses ceased. Entities now receive a separate capital budget provided through equity appropriations and/or departmental capital budget funding. Capital budgets are appropriated in the period when cash payment for capital expenditure is required.
2. The inclusion of depreciation/amortisation expenses related to ROU leased assets and the lease liability principal repayment amount reflects the impact of AASB 16 Leases, which does not directly reflect a change in appropriation arrangements.

7. Managing uncertainties

This section analyses how the Treasury manages financial risks within its operating environment.

7.1. Departmental Contingent Assets and Liabilities

Quantifiable Contingencies
As at 30 June 2026, the department has no quantifiable contingent assets or liabilities (2025: nil).

Unquantifiable Contingencies
In the proceedings *Stott v The Commonwealth of Australia & Anor*, the High Court ordered the plaintiff to pay the Commonwealth's costs. Consistent with these orders, Treasury is continuing to progress the recovery of the Commonwealth's costs, with a quantum to be determined.

Contingent liabilities and contingent assets
Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when the probability of settlement is greater than remote.

7.2. Administered Contingent Assets and Liabilities

Quantifiable Administered Contingencies

Quantifiable administered contingencies that are not remote are listed below.

Contingent Liabilities

International Monetary Fund (IMF) – 16th General Review of Quota

The Australian Government has agreed to approve a 50 per cent increase to the International Monetary Fund (IMF) quota. Under the agreement, Australia's quota will increase by approximately Special Drawing Rights (SDR) 3.29 billion (approximately $6.49 billion as at 30 June 2026) (30 June 2025: SDR 3.29 billion; approximately $6.89 billion). This increase maintains Australia's voting power at the IMF, the share of any future SDR allocation and increases access to fund financing. The timing of the contribution is uncertain, it will come into effect no earlier than 15 November 2026 however is subject to conditions including consent by IMF members that represent 85 per cent of existing quota. 25 per cent of the increase (SDR 821.55 million; approximately $1.62 billion as at 30 June 2026) (30 June 2025: SDR 821.55 million; approximately $1.72 billion) will be made in foreign currency (in consultation with the IMF) and the remainder will be covered by Australian dollar denominated promissory notes. When the IMF quota increase is implemented, Australia's contribution will be largely offset by reductions in Australia's other IMF commitments.

IMF New Arrangements to Borrow (NAB)

Australia has made a line of credit available to the IMF under the Fund's New Arrangements to Borrow (NAB) since 1998. This is a contingent loan to help ensure that the IMF has the resources available to maintain stability and support recovery in the global economy. The current agreement will expire on 31 December 2030. The value of Australia's NAB line of credit stands at approximately SDR 4.44 billion (approximately $8.77 billion as at 30 June 2026) (2025: SDR 4.44 billion; approximately $9.31 billion). On 9 April 2024, the Australian Government agreed that if the IMF quota increase is implemented, Australia's NAB commitment will decrease by SDR 0.72 billion to SDR 3.72 billion (decrease of approximately $1.42 billion to approximately $7.34 billion as at 30 June 2026) (30 June 2025: decrease of $1.51 billion to approximately $7.80 billion).

The IMF does not publish annual estimates of the amount it expects to call under the NAB facility. However, to be drawn upon, the NAB needs to be activated by the IMF Executive Board. The last NAB activation period was terminated in February 2016 and the IMF is currently relying on its quota resources to fund new lending (although the NAB can be called upon to fund IMF programs that were approved under previous activations). The New Arrangements to Borrow is not currently active or being called upon.

IMF Bilateral Borrowing Arrangement (BBA)

Bilateral Borrowing Agreements provide an additional line of defence to supplement IMF resources. Australia has made available a SDR 1.98 billion (approximately $3.91 billion as at 30 June 2026) contingent bilateral loan to the IMF (2025: SDR 1.98 billion; approximately $4.16 billion) available through a Bilateral Borrowing Arrangement with the fund. The contingent loan is on terms consistent with other bilateral loan and note purchase agreements between the IMF and all contributing countries. It will be drawn upon by the IMF only if needed to supplement the IMF's quota and NAB resources and any loans would be repaid in full, with interest.

Quantifiable Administered Contingencies - Contingent Liabilities (continued)

On 20 November 2024, the Australian Government extended a further extension of the Agreement to 31 December 2027. If the IMF quota increase is implemented, Australia's BBA will be terminated and the IMF will repay any outstanding claim under this agreement.

IMF Poverty Reduction and Growth Trust (PRGT)

On 23 October 2020, the Australian Government entered into agreements to provide a line of credit of up to SDR 1 billion (approximately $1.97 billion as at 30 June 2026) to the IMF under the PRGT until 31 December 2029 (30 June 2025: SDR 1.00 billion; approximately $2.10 billion). The PRGT provides concessional financial support to low-income countries to help them achieve, maintain, or restore a stable and sustainable macroeconomic position. PRGT funds are drawn upon by the IMF as needed and will be repaid in full, with interest. As at 30 June 2026, the undrawn balance on the line of credit is SDR 671.36 million (approximately $1.33 billion) (2025: SDR 682.4 million; $1.43 billion). Please refer to Note 5.1B for drawn amount.

IMF Resilience and Sustainability Trust (RST)

On 11 October 2022, the Australian Government entered into an agreement to provide a line of credit of up to SDR 760.00 million (approximately $1.50 billion as at 30 June 2026) (2025: SDR 760 million, $1.59 billion) to the IMF under the RST until 30 November 2030. The RST provides affordable long-term financing to help vulnerable countries build economic resilience to external shocks and ensure sustainable growth, contributing to their long-term balance of payments stability. RST funds are drawn upon by the IMF as needed and will be repaid in full with interest. As at 30 June 2026 the undrawn balance on the line of credit is SDR 600.57 million (approximately $1.19 billion) (2025: SDR 622.28 million, $1.30 billion). Please refer to Note 5.1B for drawn amount.

International financial institutions — uncalled capital subscriptions

The Australian Government has held an uncalled capital subscription in the International Bank for Reconstruction and Development (IBRD) since 1947. Australia's uncalled capital subscription to the IBRD totals US$4.37 billion (approximately $6.36 billion as at 30 June 2026) (2025: US$4.37 billion; approximately $6.67 billion).

The Australian Government has held an uncalled capital subscription to the European Bank for Reconstruction and Development (EBRD) since 1991. Australia's uncalled capital subscription to the EBRD totals EUR237.54 million (approximately $393.67 million as at 30 June 2026) (2025: EUR237.54 million; approximately $425.24 million).

The Australian Government has held an uncalled capital subscription to the Asian Development Bank (ADB) since 1966. Australia's uncalled capital subscription to the ADB totals US$7.04 billion (approximately $10.25 billion as at 30 June 2026) (2025: US$7.04 billion; approximately $10.75 billion).

The Australian Government holds an uncalled capital subscription to the Multilateral Investment Guarantee Agency (MIGA) of US$26.46 million (approximately $38.53 million as at 30 June 2026) (2025: US$26.46 million; approximately $40.40 million).

The Australian Government holds an uncalled capital subscription to the Asian Infrastructure Investment Bank (AIIB) of US$2.95 billion (approximately $4.30 billion as at 30 June 2026) (2025: US$2.95 billion, $4.51 billion).

None of these international financial institutions have ever drawn on Australia's uncalled capital subscriptions.

Australian Business Growth Fund

The Australian Government holds an uncalled capital subscription to the Australian Business Growth Fund (ABGF). The uncalled capital subscription to the ABGF totals $43.37 million as at 30 June 2026 (2025: $53.56 million). The Commonwealth committed $100 million in total to the ABGF, but drawdown is capped at 20% per year of its total commitment.

Guarantee by Commonwealth for Reserve Bank of Australia (RBA)

The Australian Government guarantees the liabilities of the Reserve Bank of Australia, measured as the Bank's total liabilities excluding capital, reserves, and Australian Government deposits. The principal component of the Bank's liabilities consists of exchange settlement balances. As at 30 June 2026, the total guarantee is $307.28 billion (2025: $333.31 billion) and the RBA's liabilities exceeded its assets by $11.53 billion (2025: $5.61 billion) in accordance with its audited financial statements.

In 2025-26, the Treasury's view is that the RBA as a central bank, is unique in its ability to create liquidity to meet its liabilities as and when they fall due, the RBA will continue to operate effectively in accordance with its functions and objectives set out in the *Reserve Bank Act 1959* and in the Statement on the Conduct of Monetary Policy.

Quantifiable Administered Contingencies - Contingent Liabilities (continued)

Undrawn loan commitments — Housing Australia

The Commonwealth has agreed to make available loans to Housing Australia up to the limits specified in the *Housing Australia Investment Mandate Direction 2018 (*Direction*),* to support the housing programs below administered by Housing Australia. Amounts disclosed below represent undrawn loan commitments as at the reporting date.

- Affordable Housing Bond Aggregator (AHBA): Undrawn loan commitments of $3.66 billion remain available under the program. Total AHBA reserve limit is $4.00 billion under the Direction.

- Housing Australia Future Fund Facility (HAFFF). Undrawn loan commitments of $2.93 billion remain available under the program. The total commitment available for the period 1 July 2024 to 30 June 2029 is $3.35 billion under the Direction. During the reporting period, the commitment limit was increased from $1.74 billion to $3.35 billion to support the Government's decision in relation to Funding Round three.

- National Housing Accord Facility (NHAF). Undrawn loan commitments of $1.04 billion remain available under the program. The total commitment available for the period 1 July 2024 to 30 June 2029 is $1.15 billion under the Direction. During the reporting period, the commitment limit was increased from $0.18 billion to $1.15 billion to support the Government's decision in relation to Funding Round three.

Under the Loan Agreements with the Treasury, Housing Australia can access the funds by completing a request to the Treasury.

Housing Australia – Help to Buy Scheme

Housing Australia, on behalf of the Commonwealth, has entered into agreements with Help to Buy Scheme (the Scheme) participants in respect of eligible properties. Under the scheme, Commonwealth contributions in relation to property purchase price for existing builds and the purchase price of the land component for arrangements relating to the construction of new builds are paid in full at the settlement date and are recorded at Note 5.1B. The Commonwealth's contributions for construction costs for new builds are paid progressively throughout the construction period under the *Help to Buy Program Directions 2025*. As at the reporting date, the Commonwealth had committed contributions of $108.81 million that remained unpaid and will be progressively paid throughout the construction phase as the construction milestones are achieved.

Loans to States and Territories

The Commonwealth has agreed to make available loans to States and Territories under designated housing agreements authorised by the *Federal Financial Relations Act 2009*. These loans are provided under the 100,000 Homes for first Home Buyer Program. As at the reporting date, the Commonwealth has entered into a loan agreement with South Australia, which expires on 30 June 2037. Under the agreement, the Commonwealth is committed to providing funding of up to $184.40 million. Drawdowns are contingent on the agreement of specified milestones and satisfaction of other conditions set out in the agreement. Accordingly, the Commonwealth has a contingent liability in respect of the undrawn balance of the committed funding at the reporting date.

Unquantifiable Administered Contingencies

Contingent Liabilities

Loans to Housing Australia

The Commonwealth provides loans to Housing Australia under the Affordable Housing Bond Aggregator (AHBA) program. Interest is charged on each loan at a rate designed to recover the Commonwealth's cost of borrowing over the life of the loan, with the interest rate determined at the time each loan is drawn down by Housing Australia. The timing, amount and terms of future loans are uncertain, as loans may be drawn down at different times, have varying terms and may not all be provided at concessional rates. Accordingly, Treasury is unable to reliably measure the concessionality component of future loan commitments and has therefore not recognised a loan commitment liability in respect of future AHBA loan commitments. Total AHBA reserve limit is $4.00 billion under the Direction and is disclosed above under the contingent liabilities section.

Guarantee by Commonwealth — Housing Australia

The Commonwealth guarantees the due payment of money payable by Housing Australia to anybody other than the Government.

Under the Direction, the sum of Housing Australia's total guaranteed liabilities and the current value of the AHBA reserve must not exceed $44.00 billion (30 June 2025: $26.00 billion). The Housing Australia Board is responsible for ensuring Housing Australia does not enter into a transaction that would exceed this limit.

Unquantifiable Administered Contingencies - Contingent Liabilities (continued)

Terrorism insurance — Australian Reinsurance Pool Corporation

The *Terrorism and Cyclone Insurance Act 2003* established a scheme for terrorism insurance covering damage to commercial property, including associated business interruption and public liability. The Australian Reinsurance Pool Corporation (ARPC) uses reinsurance premiums paid by insurers to meet its administrative expenses, to maintain a pool of funds and to purchase reinsurance to help meet future claims. The Commonwealth guarantees to pay any liabilities of the ARPC, but the Treasurer must declare a reduced payout rate to insured entities if the Government's liability would otherwise exceed $10 billion.

Cyclone Reinsurance Pool – Australian Reinsurance Pool Corporation

The Government provides an annually reinstated Government guarantee to the ARPC of $10 billion, or a larger amount if required, to support a reinsurance pool for the impact of cyclones and related flooding on eligible insured properties. The guarantee took effect from 1 July 2022 and may be called upon in the event of a large cyclone and related flooding, to ensure the ARPC can pay any and all liabilities.

The reinsurance pool is designed to be cost-neutral to Government over time, based on the predicted cost and frequency of cyclone events. The estimated value and range of calls on the guarantee is unquantifiable due to significant uncertainty in the frequency and severity of cyclones and the resulting losses.

Indemnities for specialised external advisers during the COVID-19 pandemic

The Government has provided indemnities for certain external specialised advisers engaged to provide advice on emerging markets issues related to COVID-19. Indemnities were provided to mitigate personal risk and provide coverage for costs related to any legal proceedings that may arise in relation to the provision of that advice.

The indemnities apply for the period of engagement as advisers and for claims that are notified within 12 years after cessation of the advisers' engagement. Until the indemnity agreements are varied or expire, they will remain as contingent and unquantifiable liabilities.

Unquantifiable Administered Contingencies

Contingent Assets

Burden sharing in the International Monetary Fund (IMF) remuneration

Since 1986, the IMF has used its burden sharing mechanism to make up for the loss of income from unpaid charges on the loans of debtor members. Under burden sharing, temporary financing in equal amounts is obtained from debtor and creditor members by increasing the rate of charge and reducing the rate of remuneration, respectively, to (1) cover shortfalls in the IMF's regular income from unpaid charges ("deferred charges") and (2) accumulate precautionary balances against possible credit default in a contingent account, the Special Contingent Account (SCA-1). SCA-1 accumulations were suspended effective November 1, 2006.

Due to the inherent uncertainty around shortfalls in IMF income, burden sharing contributions represent a contingent asset that cannot be reliably measured and as such is recorded as an unquantifiable contingent asset.

Interim Placement Administered Account (IPAA) with the IMF

The 2024 Poverty Reduction Growth Trust (PRGT) Facilities and Financing Review adopted a comprehensive framework to address PRGT resource needs and restore the self-sustainability of the PRGT. A central part is the distribution framework for IMF General Resources Account (GRA) to generate additional PRGT subsidy resources of SDR 5.9 billion (in 2025 present value terms). Under this framework, net income/reserves will be transferred from the GRA and placed to the IPAA, subject to adequate financial position of the GRA. The principal amounts in the IPAA would become available to members for disposition based on their quota shares once assurances equivalent to 90 per cent (SDR 6.21 billion) have been secured from members. The IMF has advised Australia that our share of the assets in the IPAA account is expected to be SDR 95.2 million at the completion of the arrangement.

7.3. Financial Instruments

	2026	2025
	$'000	$'000
Note 7.3A: Categories of Financial Instruments		
Financial assets at amortised cost		
Cash and cash equivalents	23,545	749
Goods and services receivables	5,262	3,374
Other receivables	729	596
Total financial assets at amortised cost	**29,536**	4,719
Financial Liabilities		
Financial liabilities measured at amortised cost		
Employee benefits	10,735	10,471
Suppliers	5,375	10,239
Other payables	6,046	6,049
Total financial liabilities measured at amortised cost	**22,156**	26,759

Accounting Policy

Financial assets

The Treasury classifies its financial assets in the following categories:

a) financial assets at fair value through profit or loss;
b) financial assets at fair value through other comprehensive income; and
c) financial assets measured at amortised cost.

The classification depends on both the Treasury's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when the Treasury becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

Financial Assets at Amortised Cost

Financial assets included in this category need to meet two criteria:
1. the financial asset is held in order to collect the contractual cash flows; and
2. the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

Effective Interest Method

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI)

Financial assets measured as at fair value through other comprehensive income are held with the objective of both collecting contractual cash flows and selling the financial assets and the cash flows meet the Solely Payments of Principal and Interest (SPPI) test.

Any gains or losses as a result of fair value measurement or the recognition of an impairment loss allowance is recognised in other comprehensive income.

Financial Assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets are classified as financial assets at fair value through profit or loss where the financial assets either doesn't meet the criteria of financial assets held at amortised cost or at fair value through other comprehensive income (i.e. mandatorily held at fair value through profit or loss) or may be designated.

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest earned on the financial asset.

Accounting Policy (continued)

Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period based on expected credit losses, using the general approach which measures the loss allowance based on an amount equal to *lifetime expected credit losses* where risk has significantly increased, or an amount equal to *12-month expected credit losses* if risk has not increased.

The simplified approach for trade, contract and lease receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a derecognition event where the write-off directly reduces the gross carrying amount of the financial asset.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Financial Liabilities at Fair Value Through Profit or Loss

Financial liabilities at fair value through profit or loss are initially measured at fair value. Subsequent fair value adjustments are recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Financial Liabilities at Amortised Cost

Financial liabilities at amortised cost, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent the goods or services have been received (and irrespective of having been invoiced).

7.4. Administered - Financial Instruments

	2026 $'000	2025 $'000
Note 7.4A: Categories of Financial Instruments		
Financial assets at amortised cost		
Cash and cash equivalents[1]	**1,204,217**	1,410,502
Loans to Housing Australia	**336,106**	116,451
IMF PRGT loan	**648,841**	665,921
IMF RST Loan	**314,773**	288,779
Concessional Loans	**2,507,309**	2,452,413
Accrued interest - IMF related transactions	**73,951**	84,138
Accrued Interest - Advances - Housing Australia	**245**	-
Accrued Interest - loans to Housing Australia	**664**	1,297
Accrued Interest - international loans	**117,932**	90,457
GST revenue allocation	**75,622**	-
Other receivables	**44**	782
Total assets at amortised cost	**5,279,704**	5,110,740
Financial assets at fair value through other comprehensive income		
International financial institutions	**3,033,233**	3,194,437
Australian Government entities	**4,317,296**	2,968,508
Australian Business Growth Fund	**32,650**	27,923
IMF Quota	**12,976,111**	13,781,506
IMF SDR holdings	**11,559,027**	10,248,314
IMF PRGT investment	**-**	2,096,876
IMF RST reserve account	**30,010**	31,873
IMF RST deposit account	**300,099**	318,725
Total assets at fair value through other comprehensive income	**32,248,426**	32,668,162
Financial assets at fair value through profit or loss		
Advances - Housing Australia receivable	**927,305**	-
Total assets at fair value through profit or loss	**927,305**	-
Total financial assets	**38,455,435**	37,778,902
Financial Liabilities		
Financial liabilities measured at amortised cost:		
Promissory notes	**9,179,863**	9,360,635
Grants payables	**693,960**	1,968,716
Suppliers payables[1]	**2,461**	307
Other payables[1]	**72,301**	57,793
IMF SDR allocation liability	**18,524,227**	19,673,980
IMF related monies owing	**85,382**	98,134
IMF Maintenance of Value	**-**	478,067
Loan commitments	**2,646,375**	-
Total financial liabilities measured at amortised cost	**31,204,569**	31,637,632
Financial liabilities measured at fair value through profit or loss:		
Advances - Housing Australia payable	**123,965**	-
Financial guarantees	**475,314**	524,257
Total financial liabilities measured at fair value through profit or loss	**599,279**	524,257
Total financial liabilities	**31,803,848**	32,161,889

[1] Comparative balances have been restated to reclassify $57.79 million from Suppliers to Other payables, being amounts payable in respect of the Commonwealth's subscription to the European Bank for Reconstruction and Development (EBRD). The reclassification better reflects the nature of the obligation.

	2026 $'000	2025 $'000
Note 7.4B: Net Gains and Losses on Financial Assets		
Financial assets at amortised cost		
Interest revenue[1]	**360,481**	363,699
Concessional Loan Discount Expense	**(2,963,717)**	(254,104)
Exchange gains/(loss)	**839,174**	(440,149)
Net gains/(losses) on financial assets at amortised cost	**(1,764,062)**	(330,554)
Financial assets at fair value through other comprehensive income		
Gains / (losses) recognised in equity	**1,343,328**	(548,212)
Interest revenue	**380,555**	425,034
Exchange gains/(loss)	**(1,704,532)**	(111,458)
Net gains/(losses) on financial assets at fair value through other comprehensive income	**19,351**	(234,636)
Financial assets at fair value through profit and loss		
Interest revenue	**892**	-
Net gains/(losses) on financial assets at fair value through profit and loss	**892**	-
Net gains/(losses) on financial assets	**(1,743,819)**	(565,190)

[1] Includes unwinding of the concessional discount.

	2026 $'000	2025 $'000
Note 7.4C: Net Gains and Losses on Financial Liabilities		
Financial liabilities measured at amortised cost		
Charges on SDR allocations	**(519,092)**	(649,403)
Exchange gains/(loss)	**1,152,901**	559,501
Net gains/(losses) on financial liabilities measured at amortised cost	**633,809**	(89,902)
Financial liabilities measured at fair value through profit or loss		
Change in fair value	**(42,768)**	11,531
Net gains/(losses) on financial liabilities at fair value through profit or loss	**(42,768)**	11,531
Net gains/(losses) on financial liabilities	**591,041**	(78,371)

Note 7.4D: Credit risk

The maximum exposure to credit risk of the Treasury's administered financial assets is the carrying amount of 'loans and receivables' at Note 5.1B (2025-26: $5.01 billion and 2024-25: $3.70 billion) and the carrying amount of 'investments' at Note 5.1C (2025-26: $32.25 billion and 2024-25: $32.67 billion).

The Treasury has performed assessments using historical data, financial statement data (audited and unaudited) and forward-looking data, including credit ratings, for transactions with other entities within the Commonwealth Government, other State and Territory governments, foreign governments and international financial institutions including the International Monetary Fund (IMF). Based on the assessments, there is no indication that a significant increase in expected credit loss over the next 12 months, or the lifetime of these transactions, will occur.

The Treasury has assessed the credit risk associated with its financial assets and does not consider any of them to be at risk of default. Further detail is provided in the Accounting Policy for Administered Financial Instruments.

Note 7.4E: Liquidity risk

The Treasury's administered financial liabilities are promissory notes, grant liabilities, the IMF SDR allocation, other payables, and liabilities associated with the Small and Medium Enterprise (SME) Guarantee Scheme and SME Recovery Loan Scheme, the 5% Deposit Scheme, Pacific Banking Guarantee and loan commitments to Housing Australia and States and Territories. The contractual guarantee service obligation arising from the guarantee scheme for State and Territory borrowing is not included as there is no liquidity risk associated with this item. It is contingent on the value of the associated contractual fee receivable. The exposure to liquidity risk is based on the notion that the Treasury will encounter difficulty in meeting its obligations associated with administered financial liabilities. This is highly unlikely due to appropriation funding through special appropriations and non-lapsing capital appropriations as well as internal policies and procedures put in place to ensure there are appropriate resources for the Treasury to meet its financial obligations.

The following tables illustrate the maturities for non-derivative financial liabilities:

Maturities for financial liabilities in 2026

	On demand $'000	**Within 1 year $'000**	**1 to 2 years $'000**	**2 to 5 years $'000**	**> 5 years $'000**	**Total $'000**
Promissory notes	**-**	**-**	**-**	**-**	**9,179,863**	**9,179,863**
Loan commitments	**-**	**1,208,184**	**857,607**	**580,584**	**-**	**2,646,375**
Grant liabilities	**-**	**693,960**	**-**	**-**	**-**	**693,960**
IMF SDR allocation liabilities	**-**	**-**	**-**	**-**	**18,524,227**	**18,524,227**
Financial guarantees	**-**	**94,633**	**67,329**	**77,126**	**236,226**	**475,314**
Other payables	**-**	**257,367**	**13,371**	**13,371**	**-**	**284,109**
Total	**-**	**2,254,144**	**938,307**	**671,081**	**27,940,316**	**31,803,848**

Maturities for financial liabilities in 2025

	On demand $'000	Within 1 year $'000	1 to 2 years $'000	2 to 5 years $'000	> 5 years $'000	Total $'000
Promissory notes	-	-	-	-	9,360,635	9,360,635
Grant liabilities	-	1,968,716	-	-	-	1,968,716
IMF SDR allocation liabilities	-	-	-	-	19,673,980	19,673,980
Financial guarantees	-	66,250	74,777	205,592	177,638	524,257
Other payables	-	634,301	-	-	-	634,301
Total	-	2,669,267	74,777	205,592	29,212,253	32,161,889

Note 7.4F: Market risk

Interest rate risk
Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Treasury is exposed to interest rate risk from loans and other receivables.

The Treasury considers its interest rate risk to be not significant. The international assistance loans have fixed interest rates applied. IMF transactions incur interest at the SDR interest rate, which reflects short-term interest rates in the SDR basket currencies. Loans to state and territory governments and loans to Housing Australia are interest free.

Foreign currency risk
Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Treasury is exposed to foreign exchange currency risk primarily through undertaking certain transactions denominated in foreign currency.

The Treasury is exposed to foreign currency denominated in USD, EUR and SDR.

The following table details the effect on profit and equity as at 30 June 2026 from an 9.1 per cent (30 June 2025 from an 8.1 per cent) favourable/unfavourable change in AUD against the Treasury with all other variables held constant. The change in the risk variable has been determined by reference to standard parameters provided by the Department of Finance.

Sensitivity analysis of the risk that the entity is exposed to for 2026

			Effect on	
	Risk variable	Change in risk variable %	Net cost of services 2026 $'000	Net assets 2026 $'000
IFI investments	Exchange rate	9.1	(251,981)	(251,981)
IFI investments	Exchange rate	(9.1)	302,189	302,189
IMF Quota	Exchange rate	9.1	(1,077,971)	(1,077,971)
IMF Quota	Exchange rate	(9.1)	1,292,760	1,292,760
IMF SDR holdings asset	Exchange rate	9.1	(960,249)	(960,249)
IMF SDR holdings asset	Exchange rate	(9.1)	1,151,581	1,151,581
IMF RST reserve account	Exchange rate	9.1	(2,493)	(2,493)
IMF RST reserve account	Exchange rate	(9.1)	2,990	2,990
IMF RST deposit account	Exchange rate	9.1	(24,930)	(24,930)
IMF RST deposit account	Exchange rate	(9.1)	29,898	29,898
Accrued interest - IMF related transactions	Exchange rate	9.1	(6,143)	(6,143)
Accrued interest - IMF related transactions	Exchange rate	(9.1)	7,367	7,367
IMF PRGT loan	Exchange rate	9.1	(53,901)	(53,901)
IMF PRGT loan	Exchange rate	(9.1)	64,641	64,641
IMF RST loan	Exchange rate	9.1	(26,149)	(26,149)
IMF RST loan	Exchange rate	(9.1)	31,360	31,360
Promissory notes	Exchange rate	9.1	5,371	5,371
Promissory notes	Exchange rate	(9.1)	(6,441)	(6,441)
IMF SDR allocation liability	Exchange rate	9.1	1,538,873	1,538,873
IMF SDR allocation liability	Exchange rate	(9.1)	(1,845,497)	(1,845,497)
IMF related money owing	Exchange rate	9.1	7,093	7,093
IMF related money owing	Exchange rate	(9.1)	(8,506)	(8,506)

Sensitivity analysis of the risk that the entity is exposed to for 2025

	Risk variable	Change in Risk variable %	Effect on Net cost of services 2025 $'000	Effect on Net assets 2025 $'000
IFI investments	Exchange rate	8.1	(238,267)	(238,267)
IFI investments	Exchange rate	(8.1)	280,043	280,043
IMF Quota	Exchange rate	8.1	(1,027,938)	(1,027,938)
IMF Quota	Exchange rate	(8.1)	1,208,168	1,208,168
IMF SDR holdings asset	Exchange rate	8.1	(764,403)	(764,403)
IMF SDR holdings asset	Exchange rate	(8.1)	898,427	898,427
IMF PRGT investment	Exchange rate	8.1	(156,402)	(156,402)
IMF PRGT investment	Exchange rate	(8.1)	183,824	183,824
IMF RST reserve account	Exchange rate	8.1	(2,377)	(2,377)
IMF RST reserve account	Exchange rate	(8.1)	2,794	2,794
IMF RST deposit account	Exchange rate	8.1	(23,773)	(23,773)
IMF RST deposit account	Exchange rate	(8.1)	27,941	27,941
Accrued interest - IMF related transactions	Exchange rate	8.1	(6,276)	(6,276)
Accrued interest - IMF related transactions	Exchange rate	(8.1)	7,376	7,376
IMF PRGT loan	Exchange rate	8.1	(49,670)	(49,670)
IMF PRGT loan	Exchange rate	(8.1)	58,379	58,379
IMF RST loan	Exchange rate	8.1	(21,540)	(21,540)
IMF RST loan	Exchange rate	(8.1)	25,316	25,316
Promissory notes	Exchange rate	8.1	5,057	5,057
Promissory notes	Exchange rate	(8.1)	(5,943)	(5,943)
IMF SDR allocation liability	Exchange rate	8.1	1,467,447	1,467,447
IMF SDR allocation liability	Exchange rate	(8.1)	(1,724,737)	(1,724,737)
IMF related money owing	Exchange rate	8.1	7,320	7,320
IMF related money owing	Exchange rate	(8.1)	(8,603)	(8,603)

Accounting Policy

Administered financial instruments

AASB 9 identifies three classifications for financial instruments - those measured at (a) amortised cost; (b) fair value through other comprehensive income (FVOCI); and (c) fair value through profit or loss (FVPL).

A financial asset shall be classified as at amortised cost if the financial asset is held within a business model to collect contractual cash flows and that the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

With the exception of dividends receivable, which is measured at fair value, financial assets at amortised cost are initially recognised at fair value and subsequently measured using the effective interest method. Financial assets at amortised cost include:

- International Monetary Fund (IMF) related monies receivable;
- Loans to the IMF under the New Arrangements to Borrow;
- Loans to the IMF under the Poverty Reduction and Growth Trust;
- Loans to the IMF under the Resilience and Sustainability Trust;
- Loans to Housing Australia;
- Loans to States and Territories;
- Loans to AEMO;

Accounting Policy - Administered financial instruments (continued)

- International assistance loans;
- GST revenue allocation receivable; and
- Accrued interest.

A financial asset shall be classified as at fair value through profit and loss (FVTPL) as the contractual cash flows are not solely payments of principal and interest on the principal amount outstanding. Financial assets recorded at FVTPL include Advances Housing Australia receivables (Help to Buy).

A financial asset shall be classified as at fair value through other comprehensive income (FVOCI) when the financial asset is held within a business model to collect contractual cash flows and to sell the financial asset. In addition, the Department of Finance has mandated that all equity instruments must be recorded as FVOCI.

Financial assets recorded at FVOCI are initially measured at cost and subsequently measured at fair value and include:
- The IMF quota and Special Drawing Right (SDR) holdings;
- Investments in the RST;
- Investments in development banks;
- Investment in the Australian Business Growth Fund; and
- Investments in Government entities.

Financial liabilities shall be classified as at amortised cost except for financial guarantee contracts and Help to Buy payables.

Financial liabilities at amortised cost are initially measured at fair value and subsequently measured using the effective interest rate method. Financial liabilities at amortised cost include:
- Special Drawing Right (SDR) allocation;
- Grants payables;
- Promissory notes;
- International Monetary Fund (IMF) related monies payable;
- Supplier payable; and
- Loan commitments for States and Territories and Housing Australia.

Financial Guarantees shall be initially recognised at fair value, where no consideration is received, fair value is estimated using valuation techniques and subsequently re-measured at each reporting period using the Expected Credit Loss model, with movements recognised in profit or loss. The ECL is assessed annually by an independent valuer and reflects current and forward-looking credit risk information. Financial guarantees include:
- Pacific Banking Guarantee;
- Small and Medium Enterprise (SME) Guarantee Scheme and SME Recovery Loan Scheme; and
- 5% Deposit Scheme.

The Treasury's administered financial guarantee contracts are classified as financial liabilities at fair value through profit or loss. They are not treated as contingent liabilities, as they are regarded as financial instruments outside the scope of AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

The amounts recognised for the financial guarantee contracts are the expected losses on the total loan balance discounted to reporting date for these Schemes.
The carrying amount of financial instruments is a reasonable approximation of fair value

The contractual terms of promissory notes are non-interest bearing making the effective interest rate nil. Therefore, the measurement would be the initial value less any repayments plus or minus movements in exchange rates as a result of translation on the balance date.

7.5. Fair Value Measurement

	Fair value measurements at the end of the reporting period	
	2026	2025
	$'000	$'000
Non-financial assets[1,2]		
Buildings	16,185	19,642
Buildings - Assets Under Construction (AUC)	996	-
Property, plant and equipment	5,135	7,596
Property, plant and equipment - AUC	1,427	-
Library	576	576
Total non-financial assets	**24,319**	27,814

1. The Treasury's assets are held for operational purposes and not held for the purposes of deriving a profit. The current use of all non-financial assets is considered their highest and best use.
2. No non-financial assets were measured at fair value on a non-recurring basis as at 30 June 2026.

Accounting Policy

Comprehensive valuations are carried out once every three years. In the intervening years, an annual materiality review is undertaken to determine whether the carrying amount of the assets is materially different from the fair value. The Treasury appointed Jones Lang LaSalle (JLL) to undertake this review of all tangible property, plant and equipment assets as at 30 June 2026. The last full valuation was completed as at 30 June 2024 with the next valuation scheduled for 30 June 2027.

Accounting judgements and estimates

Where possible, asset valuations are based upon observable inputs to the extent they are available. Where this information is not available, valuation techniques rely upon unobservable inputs. The methods utilised to determine and substantiate the unobservable inputs are derived and evaluated as follows:

Replacement cost

The value of the library was determined on the basis of the average cost for items within each collection. The replacement cost has considered purchases over recent years and these have been evaluated for reasonableness against current market prices.

All Asset Classes - Physical Depreciation and Obsolescence

Assets that do not transact with enough frequency or transparency to develop objective opinions of value from observable market evidence have been measured utilising the Depreciated Replacement Cost approach. Under the Depreciated Replacement Cost approach, the estimated cost to replace the asset is calculated and then adjusted to take into account physical depreciation and obsolescence. Physical depreciation and obsolescence has been determined based on professional judgement regarding physical, economic and external obsolescence factors relevant to the asset under consideration. For all leasehold improvement assets, the consumed economic benefit / asset obsolescence deduction is determined based on the term of the associated lease.

The Treasury's policy is to recognise transfers in and out of the fair value hierarchy levels as at the end of the reporting period. There have been no transfers between level 1 and level 2 of the hierarchy during the year.

7.6. Administered - Fair Value Measurement

The following tables provide an analysis of assets and liabilities that are measured at fair value. The different levels of the fair value hierarchy are defined below.
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at measurement date.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Unobservable inputs for the asset or liability.

Note 7.6A: Fair Value Measurements, Valuation Techniques and Inputs Used

Recurring fair value measurements at the end of the reporting period by hierarchy for assets and liabilities in 2026

	Fair value measurements at the end of the reporting period using			
	2026	2025	**Category (Level**	**Valuation technique(s) and inputs used[1]**
	$'000	$'000	**1, 2 or 3)**	
Financial assets:				
International financial institutions:				
Asian Infrastructure Investment Bank	**1,074,683**	1,127,023		
International Finance Corporation	**674,383**	707,227		
Asian Development Bank	**606,456**	644,097		
International Bank for Reconstruction and Development	**498,083**	522,341		
European Bank for Reconstruction and Development	**170,600**	184,282		
Multilateral Investment Guarantee Agency	**9,028**	9,467		
Total international financial institutions	**3,033,233**	3,194,437	**3**	**Value of shares held**
Australian Government entities:				
Australian Reinsurance Pool Corporation	**1,817,665**	772,096		
Housing Australia	**2,499,631**	2,196,412		
Reserve Bank of Australia	**-**	-		
Total Australian Government entities	**4,317,296**	2,968,508	**3**	**Net assets**
Other investments:				
IMF Quota	**12,976,111**	13,781,506	**3**	**Net assets**
IMF SDR holdings	**11,559,027**	10,248,314	**3**	**Value of quota held / SDRs lent**
IMF PRGT investment	**-**	2,096,876	**3**	**Value of quota held / SDRs lent**
IMF RST deposit account	**300,099**	318,725	**3**	**Value of quota held / SDRs lent**
IMF RST reserve account	**30,010**	31,873	**3**	**Value of quota held / SDRs lent**
Australian Business Growth Fund	**32,650**	27,923	**3**	**Net assets**
Total Other Investments	**24,897,897**	26,505,217		
Loans and other receivables				
Advances - Housing Australia[2]	**718,269**	-	**3**	**Valuation report**

Total Loans and other receivables	**718,269**	-		
Total financial assets	**32,966,695**	32,668,162		
Total fair value measurements	**32,966,695**	32,668,162		
Financial liabilities				
Financial guarantees	**475,314**	524,257	**3**	**Valuation report**
Loan commitments	**2,646,375**	-	**3**	**Discounted cashflow method**
Total Financial liabilities	**3,121,689**	524,257		

[1.] Significant observable inputs only.

[2.] Amount subject to valuation by AGA. The remaining $209.04 million of the Advances - Housing Australia balance relates to Commonwealth contributions in respect of committed properties that were pending settlement as at reporting date. This component is measured at contract value and classified as Level 1 in the fair value hierarchy.

Fair value measurements

The highest and best use of Treasury's investments in Australian Government entities does not differ because the fair value is based on the net asset position of the entity.
The highest and best use of Treasury's investments in International Financial Institutions does not differ because the fair value is based on the value of shares held in the relevant institution.

Note 7.6B: Level 1 and Level 2 transfers for recurring fair value measurements

No assets were transferred between Level 1 and Level 2.

Note 7.6C: Reconciliation for recurring Level 3 fair value measurements

	Financial assets		Financial liabilities	
	2026	2025	**2026**	2025
	$'000	$'000	**$'000**	$'000
As at 1 July	**32,668,162**	32,012,362	**524,257**	585,295
Total gains/(losses) recognised in other comprehensive income	**1,343,328**	(548,212)	-	-
Total gains/(losses) recognised in net cost of services				
IMF Quota foreign exchange gain/(loss)	**(805,394)**	735,852	-	-
IMF SDR holdings foreign exchange gain/(loss)	**(700,560)**	560,258	-	-
IMF PRGT investment foreign exchange gain/(loss)	**(21,326)**	111,961	-	-
IMF RST reserve account foreign exchange gain/(loss)	**(1,863)**	1,702	-	-
IMF RST deposit account foreign exchange gain/(loss)	**(18,626)**	17,018	-	-
International Financial Institutions (IFI) foreign exchange gain/(loss)	**(161,204)**	72,485	-	-
Financial guarantees	**-**	-	**2,568**	(11,531)
Share Purchases				
Increase in investments in ABGF	**10,186**	4,629	-	-
Increase in investments in the IFI	**-**	71,588	-	-
Advances				
Advances - Housing Australia	**718,269**	-	-	-
Issued				
Financial guarantees	-	-	**40,200**	-
Loan commitments	-	-	**2,646,375**	-
Settlements				
Financial guarantees - claims paid	**-**	-	**(91,711)**	(49,507)
Transfers out of Level 3				
IMF SDR holdings transferred to IMF RST Loan	**-**	(371,481)	**-**	-
IMF PRGT investment transferred to IMF SDR holdings	**(64,277)**	-	**-**	-
Total as at 30 June	**32,966,695**	32,668,162	**3,121,689**	524,257
Changes in unrealised gains/(losses) recognised in net cost of services for the year ended 30 June	**(1,708,973)**	1,499,276	2,568	(11,531)

8. Other Information

8.1. Current/Non-current Distinction for Assets and Liabilities

	2026	2025
	$'000	$'000
Note 8.1A: Current/non-current distinction for assets and liabilities		
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	23,545	749
Trade and other receivables	133,500	139,904
Prepayments	8,568	5,806
Total no more than 12 months	**165,613**	146,459
More than 12 months		
Land and buildings	113,066	127,636
Plant and equipment	7,173	8,200
Intangibles	278	1,206
Prepayments	1,969	1,248
Total more than 12 months	**122,486**	138,290
Total assets	**288,099**	284,749
Liabilities expected to be settled in:		
No more than 12 months		
Employee benefits	10,735	10,471
Suppliers	5,375	10,239
Other payables	6,046	6,049
Leases	11,541	11,303
Employee provisions	23,479	21,741
Total no more than 12 months	**57,176**	59,803
More than 12 months		
Provisions		
Leases	99,343	110,687
Employee provisions	67,934	63,780
Provision for restoration	6,829	6,540
Total more than 12 months	**174,106**	181,007
Total liabilities	**231,282**	**240,810**

Note 8.1B: Administered - Current/non-current distinction for assets and liabilities	2026 $'000	2025 $'000
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	**1,204,217**	1,410,502
Loans and other receivables	**485,266**	320,577
Total no more than 12 months	**1,689,483**	1,731,079
More than 12 months		
Loans and other receivables	**4,525,822**	3,380,525
Investments	**32,248,426**	32,668,162
Total more than 12 months	**36,774,248**	36,048,687
Total assets	**38,463,731**	37,779,766
Liabilities expected to be settled in:		
No more than 12 months		
Grants	**693,960**	1,968,716
IMF and other payables	**257,367**	634,301
Loan commitments	**1,208,183**	-
Financial guarantees	**94,633**	66,250
Provisions	**6,116,219**	4,064,776
Total no more than 12 months	**8,370,362**	6,734,043
More than 12 months		
IMF and other payables	**18,550,969**	19,673,980
Loan commitments	**1,438,192**	-
Promissory notes	**9,179,863**	9,360,635
Financial guarantees	**380,681**	458,007
Provisions	**5,931,730**	12,486,559
Total more than 12 months	**35,481,435**	41,979,181
Total liabilities	**43,851,797**	48,713,224

8.2. Restructuring

	2026 Bankruptcy, Personal property securities, and Consumer credit reporting[1] AGD $'000	2026 Cities, Land and Planning[2] DITRDCSA $'000	2026 Housing, rental and homelessness[3] DSS $'000
Note 8.2A: Departmental restructuring			
FUNCTIONS ASSUMED			
Assets recognised			
Appropriation receivables	241	449	2,821
Total assets recognised	**241**	**449**	**2,821**
Liabilities recognised			
Employee provisions	241	449	2,853
Total liabilities recognised	**241**	**449**	**2,853**
Net assets/(liabilities) assumed	**-**	**-**	**(32)**
Income assumed			
Recognised by the losing entity	-	14	-
Total Income	**-**	**14**	**-**
Expenses assumed			
Recognised by the losing entity	-	14	-
Total Expenses assumed	**-**	**14**	**-**

	Building and Construction Policy[4] DISR $'000	Australian Building Codes Board[5] DISR $'000
FUNCTIONS ASSUMED		
Assets recognised		
Cash and cash equivalents	-	9,328
Trade and other receivables	-	1,726
Property, plant and equipment	-	20
Prepayments	-	90
Total assets recognised	**-**	**11,164**
Liabilities recognised		
Payables	-	581
Employee provisions	391	1,291
Total liabilities recognised	**391**	**1,872**
Net assets/(liabilities) assumed[6]	**(391)**	**9,292**
Income assumed		
Recognised by the receiving entity	391	-
Recognised by the losing entity	-	4,193
Total Income	**391**	**4,193**
Expenses assumed		
Recognised by the losing entity	-	604
Total Expenses assumed	**-**	**604**

There were no departmental restructures in 2024-25.

	2026 Housing, rental and homelessness[3] DSS $'000
Note 8.2B: Administered restructuring	
FUNCTIONS ASSUMED	
Liabilities Recognised	
Suppliers	**57**
Subsidies	**31,276**
Grants	**1,123**
Total Liabilities Recognised	**32,456**
Net assets/(liabilities) Recognised[7]	**(32,456)**

There were no administered restructures in 2024-25.

On 13 May 2025 a new Administrative Arrangements Order (AAO) was made which transferred the responsibility of the following functions:

1. Bankruptcy, personal property securities and consumer credit reporting from the Attorney-General's Department (AGD) to Treasury effective 1 July 2025.
2. Land and planning policy and cities and urban policy from the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts (DITRDCSA) to Treasury effective 1 July 2025.
3. Housing, rental and homelessness policy from the Department of Social Services (DSS) to Treasury effective 31 July 2025.
4. Construction industry policy and regulation from the Department of Industry, Science and Resources (DISR) to Treasury effective 3 July 2025.
5. Australian Building Codes Board (ABCB) from DISR to Treasury effective 1 September 2025.
6. The net assets/(liabilities) assumed from all entities for Departmental was $8.87 million.
7. The net assets/(liabilities) assumed from all entities for Administered was $32.46 million.

Future Made in Australia (FMIA) excluding the National Interest Framework transferred from Treasury to DISR effective 1 July 2025. Appropriations of $0.71 million were transferred.

Part 5 – Appendices

Under section 17AH(2) of the PGPA Rule, entities must report information required by other legislation or instruments. Part 5 contains information on specific Treasury functions to fulfill this requirement.

Methodology for the annual stakeholder survey

Treasury uses an annual stakeholder survey to assess the performance of the department's policy advice (performance measure 1), effectiveness of working relationships (performance measure 12) and administration of regulator functions (performance measure 9). An external provider was engaged to develop, conduct, and report on the annual stakeholder survey for 2025–26.

Fieldwork and data collection

The fieldwork for the stakeholder survey was conducted between May and June 2026.

The research involved quantitative and qualitative data collection. The external provider emailed survey participants an invitation and a secure unique link to access the survey. Ministers or their representatives were interviewed by senior Treasury officers. A senior member from the external provider also attended as an independent observer and note taker.

Data was collected via 4 separate and tailored surveys (covering different types of stakeholders):

1. One for the 5 Treasury portfolio ministers – addressing perceptions of Treasury's performance in providing advice (performance measure 1) and perceptions of working with the Treasury (performance measure 12.
2. One for Treasury's key stakeholders from Australian Government entities and other external stakeholders – addressing their perceptions of Treasury's performance in providing advice (performance measure 1) and perceptions of working with the Treasury (performance measure 12).
3. One for stakeholders of the Foreign Investment Framework (performance measure 9).
4. One for stakeholders of the Payment Times Reporting Scheme (performance measure 9).

Sample selection

Sampling occurred through a census approach. All relevant stakeholders were invited to participate in a survey. A systematic approach was adopted to selecting relevant stakeholders to address the risk of selection bias (adhering to Department of Finance better practice guidance), via transparent operational selection rules for Treasury's business units. The external provider also independently assessed the integrity of the proposed lists of stakeholders to be surveyed.

Stakeholder selection operational rules

Performance measure 1 – Treasury's policy advice

- Ministerial survey: All Treasury portfolio ministers, or their representatives, were invited to participate.
- Survey of Australian Government entity stakeholders: Senior executives in other Australian Government entities who dealt with Treasury between 1 April 2025 and 31 March 2026 (the referenced period). Stakeholders included:
  - Treasury's Senior Executive Service (SES) counterparts in the Department of Finance and the Department of the Prime Minister and Cabinet
  - SES officers of other Australian Government entities who dealt with Treasury at least 4 times in the referenced period.
    - A 'dealing' was defined as a number of interactions in relation to a particular collaboration activity (such as preparing a cabinet submission, preparing a round of economic forecasts). For example, a stakeholder who had only 4 meetings with Treasury in the preparation of one cabinet submission would be defined as having dealt with Treasury only once and, therefore, would not be in scope.

Performance measure 9 – Treasury's regulatory functions

- Survey of stakeholders of the Foreign Investment Framework:
  - Investors and/or agents of regulated entities who received a decision between 1 April 2025 to 31 March 2026 and who had submitted at least 4 investment proposals over the preceding year (1 April 2025 to 31 March 2026)
  - Investors and/or agents of regulated entities who have a Treasury client manager
  - Members of the Law Council's Foreign Investment Committee
  - Non-executive members of the Foreign Investment Review Board, as at 31 March 2026, who had attended a minimum of 2 monthly meetings
  - Senior officers (Executive Level 2/equivalent and above) from Australian Government entities and senior executives from other organisations who had dealt with Treasury at least 2 times in relation to the Foreign Investment Framework between 1 April 2025 and 31 March 2026.

In 2025–26, most stakeholders of this type who were invited to complete the survey were from Australian Government entities.

A 'dealing' was defined as a number of interactions in relation to a particular matter/issue to do with the Foreign Investment Framework.

- Survey of stakeholders of the Payment Times Reporting Scheme:
  - » Senior management from regulated entities, industry bodies, professional advisers identified on the regulator's stakeholder liaison list and senior officers (Executive Level 2/equivalent and above) from Australian Government entities who had dealt with Treasury at least 2 times in relation to the Payment Times Reporting Scheme between 1 April 2025 and 31 March 2026.
    - A 'dealing' was defined as an interaction in relation to matters regarding the Payment Times Reporting Scheme. This included, but was not limited to, raising specific issues with reporting, making enquiries, self-nominating for involvement or participating in stakeholder liaison groups, stakeholder engagement or consultations.

The 'regulator's stakeholder liaison list' consisted of representatives from regulated entities, corporate and financial sector peak bodies, and professional services advisers who had self-nominated to be a part of a contact list for the Payment Times Reporting Scheme news items, updates on new resource availability, the stakeholder liaison forum dates and other relevant communications.

Performance measure 12 – Working with Treasury

- Ministerial survey and survey of Australian Government entity stakeholders as defined in performance measure 1 – Treasury's policy advice.
- Survey of external stakeholders: SES stakeholders from organisations other than Australian Government entities who had dealt with Treasury at least 4 times between 1 April 2025 and 31 March 2026 in engagements or consultations.
  - » A 'dealing' was defined as a number of interactions in relation to a particular engagement/consultation matter (for example a particular stage of a reform process).
  - » In-scope organisations included state and territory government entities, community sector organisations, businesses, peak bodies, and unions.

If a stakeholder was unavailable to participate in the survey, (for example had left the organisation or was on leave), a substitute was invited. The substitute had to meet 2 criteria:

- occupy a position at most one reporting level below the original invitee, and
- have dealt with Treasury as defined by the operational rules.

Performance measure calculation methodology

Weighting of survey results

Ministerial feedback questionnaire

As the senior minister with a higher volume of interactions with the Treasury and greater policy coverage, the Treasurer's (or their representative's) survey ratings were weighted more highly than those of other Treasury ministers. Under this weighting formula, the Treasurer's responses accounted for 50 per cent of the aggregate performance results derived from the survey. The other 4 ministers' responses account for 12.5 per cent each. Given all 5 Treasury portfolio ministers responded to the survey, the Treasurer's response has been counted as 2 responses with other ministers' responses counted as 0.5 responses.

Survey of stakeholders of the Foreign Investment Framework

Survey ratings are weighted more highly for investors and/or agents of regulated entities who have a Treasury client manager as stakeholders of the Foreign Investment Framework than other stakeholders. This is because of their high volume of interactions and intensity of contact with the Foreign Investment Division.

The weighting formula means responses from investors with a Treasury client manager have twice the weight of other stakeholders. The performance measure derived from stakeholders of the Foreign Investment Framework (performance measure 9) has been calculated as a weighted average.

Approach to calculating policy advice Performance Measures

Policy advice refers to Treasury outputs provided to help ensure government decisions are appropriately supported and informed. This includes briefing documents, submissions, and oral briefings.

Performance measure 1 – Proportion of Treasury ministers that rate Treasury advice highly

Ministers were asked to rate specific aspects/attributes of the policy advice they received from Treasury in 2025–26 using an intuitive, clear, and familiar 5-point 'agreement' rating scale (where 1 = 'strongly disagree' and 5 = 'strongly agree'). These attributes were drawn from the Treasury Policy Advice Matrix and are outlined in Table 35.

Table 35: Attributes drawn from the Treasury Policy Advice Matrix

In general, Treasury's policy advice

1) Informed	2) Influential	3) Impactful
Was supported by relevant evidence	Was tailored to your needs	Resulted in government decisions consistent with the advice
Was supported by contemporary/ up-to-date evidence	Was timely	Led to tangible outcomes
Where applicable, considered the views of relevant stakeholders and experts	Was considered in your decision-making	

The individual attribute ratings provided by ministers were aggregated (formula set out in Figure 16) to derive numerical scores that indicate 'high', 'moderate' and 'low' performance.

Performance measure 1 – Proportion of key government entities and stakeholders that rate Treasury advice highly

A similar approach was taken for this element of performance measure 1. The survey questionnaire asked Australian Government entity stakeholders to rate specific aspects/attributes of Treasury's policy advice in different areas (for example, macroeconomic policy, fiscal policy, tax policy) in 2025–26 via the five-point 'agreement' rating scale.

For both ministers and Australian Government entity stakeholders, performance measure 1 has been calculated as follows:

- For each stakeholder respondent, the average (mean score out of 5) rating has been calculated across all questions answered that relate to:
  - the 'Informed' criterion (Average 1)
  - the 'Influential' criterion (Average 2)
  - the 'Impactful' criterion (Average 3).
- For each respondent, the average of these average ratings has been calculated (effectively giving equal weight to each criterion) (Average 4).

As illustrated on the graphic below, if Average 4 = 1.00-2.50, this has been classified as 'low', 2.51-3.50 has been classified as 'moderate', and 3.51-5.00 as 'high'.

Figure 16: Stakeholder survey 2025–26, average score classification



The weighted percentage of ministers rating 'high' overall (Average 4) has been reported for the performance measure.

The unweighted percentage of Australian Government entity stakeholders rating 'high' overall (Average 4) has been reported for the performance measure.

Calculating administration of regulator functions and the effectiveness of working relationships (performance measures 9 and 12)

Stakeholders were asked to indicate the extent to which they agree or disagree with the questions on a five-point scale: strongly disagree (1), disagree (2), neither agree nor disagree (3), agree (4) or strongly agree (5).

Performance was calculated on the average of the percentage of survey respondents who provided ratings of 4 (agree) or 5 (strongly agree) for applicable question items.

'Don't know / not applicable' responses were excluded.

Advertising and market research

Treasury is required to report on all payments to advertising agencies, market research organisations, polling organisations, media advertising organisations and direct mail organisations.

During 2025–26, Treasury delivered a housing advertising campaign to build awareness of Australian Government support and programs to help more Australians into home ownership. Initial development of a tax system campaign commenced.

Information on credit notes, cost recovery and invoices issued for campaign expenditure for advertising agencies, market research organisations and media advertising organisations is shown in Table 36 to Table 38.

Campaign compliance information is available at treasury.gov.au and in the reports on government advertising prepared by the Department of Finance and published at finance.gov.au/advertising. These Department of Finance reports provide details of campaigns for which expenditure was greater than $250,000 (including GST).

Treasury did not make any payments to polling organisations or direct mailing organisations in 2025–26.

Table 36: Advertising agencies 2025–26

Provider	Service provided	Cost (inc. GST)
Clemenger BBDO Pty Ltd	Creative services (Housing campaign)	$1,767,771.43
Clemenger BBDO Pty Ltd	Creative services (Tax System campaign)	$938,925.87
Clemenger BBDO Pty Ltd	Creative services (Supporting Australians)	$86,952.36

Table 37: Market research organisations 2025–26

Provider	Service provided	Cost (inc. GST)
WhereTo Pty Ltd	Developmental research services (Housing campaign)	$311,307.22
WhereTo Pty Ltd	Developmental research services (Tax System campaign)	$363,342.36
WhereTo Pty Ltd	Developmental research services (Supporting Australians)	$70,785.99
Hall and Partners Pty Ltd	Evaluation research services (Housing campaign)	$173,010.88
Hall and Partners Pty Ltd	Evaluation research services (Supporting Australians campaign)	$30,880.61

Note: Hall and Partners Pty Ltd is the whole of government campaign evaluation research agency for all Commonwealth Government advertising.

Table 38: Media advertising 2025–26

Provider	Service provided	Cost (inc. GST)
Universal McCann Australia	Advertising services (Housing campaign)	$5,838,465.85
Universal McCann Australia	Advertising services (recruitment)	$88,451.36

Note: Universal McCann Australia is the master media agency for all Commonwealth Government advertising.

Work health and safety

Treasury recognises its responsibility and obligations as outlined in the *Work Health and Safety Act 2011*. Treasury is committed to creating and maintaining a safe and healthy working environment for all its employees, workers and visitors through targeted initiatives.

- Professional counselling and support are available for employees through our Employee Assistance Program. Services were available to employees and managers online and remotely via phone support, with specialist hotlines for First Nations support, LGBTIQA+ (lesbian, gay, bisexual, transgender, intersex, queer and asexual), domestic and family violence, aged care support, disability and carers, young people and young adults, and spiritual and pastoral care.
- Employees have access to an annual influenza vaccination program, employer-subsidised eyesight testing for screen-based work, a lifestyle contribution payment, and workstation assessments.
- Access to an early intervention program supports employees experiencing an illness or injury to assist them in remaining at or returning to work as soon as practicable. Through this program employees may access specialist advice, services and financial support.
- A dedicated cohort of employees undertake workplace responsibility roles such as health and safety representatives, first aid officers, fire wardens and workplace harassment contact officers.
- Access is available for wellbeing and work health and safety training, such as appropriate workplace behaviours, introduction to work health and safety, active bystander training, and compassionate foundations (suicide prevention capability).
- There are promotions for mental health-related events such as RU OK? Day, STEPtember, Safe Work month and World Mental Health Day.
- Treasury's intranet contains wellbeing resources for health and recovery, mental health and safety and general employee support.
- There is access to a support program for employees with cancer and employees caring for a family member with cancer. The program provides access to digital, science-based tools, personalised coaching and educational resources to better understanding diagnoses, adopt positive behavioural changes and engage in cancer care.
- We maintain breastfeeding friendly workplace accreditation as a proactive step to empower, support and value parents in the workplace.

Treasury's Health and Safety Committee met quarterly in 2025–26. The committee has oversight of work health and safety activities that support Treasury in providing and maintaining a safe and healthy work environment.

There were 33 work health and safety incidents and hazards reported in 2025–26. The majority were minor and all were actioned within 7 days. Three notifiable incidents were reported to Comcare, of which 2 were medical with no evident connection to the workplace and one, which occurred offsite, was categorised as a dangerous incident. No Comcare investigations or notices were conducted or issued in 2025–26.

Treasury proactively undertook internal inspections and reviewed policies and procedures as preventative measures to mitigate risks. This included annual office-based workplace inspections across all offices. Treasury participated in a Comcare proactive engagement inspection on risk management, which resulted in no instances of non-compliance and no further action.

Disability reporting

Australia's Disability Strategy 2021–2031 (the Disability Strategy) is a national framework signed by all governments in Australia. It sets out a plan for continuous improvement in the lives of people with disability in Australia.

The Disability Strategy's vision is for an inclusive Australia that ensures people with disability can fulfil their potential as equal members of society. It outlines practical changes to assist people with disability.

In line with Australia's commitments under the United Nations *Convention on the Rights of Persons with Disabilities*, the Disability Strategy helps protect, promote and realise the human rights of people with disability.

The Australian Public Service Disability Employment Strategy 2020–2025 aims to increase employment of people with disability across the Australian Public Service to 7 per cent by 2025. Treasury continues to implement actions from the Disability Strategy, and from our Strategic Workforce Plan 2024–2030, to evaluate and enhance accessibility practices for new and existing employees with disability. Disability reporting is included in the Australian Public Service Commission's State of the Service reports and the Australian Public Service Statistical Bulletin. These reports are available at apsc.gov.au.

Annual child safety statement of compliance

Treasury is committed to fostering a culture that promotes and safeguards the safety, wellbeing and rights of children and young people.

Consistent with the Commonwealth Child Safe Framework, Treasury completed its annual child safety risk assessment for 2025–26 and determined the risk as low. The assessment determined that the identification and evaluation of risks to the safety and protection of children and young people was thorough, effective mitigation measures were in place and Treasury was compliant with the Commonwealth Child Safe Framework's 4 requirements.

While Treasury's business activities and functions rarely involve direct interaction with children and young people, we work to ensure departmental activities are conducted in a child-safe manner and that the rights, needs and interests of children are recognised and protected where relevant.

Treasury provides funding to third-party organisations (administered by the Department of Social Services) that deliver transitional and crisis accommodation for young people and their families. These organisations are required to submit an annual Child Safe Statement of Compliance, confirming adherence to contractual child safety requirements and obligations under the Commonwealth Child Safe Framework.

Treasury extends its commitment to child safety by:

- undertaking an annual child safety risk assessment to identify and manage potential risks across its operations
- requiring third party organisations to provide annual statements of child safe compliance
- monitoring emerging child safety risks and compliance matters through regular engagement with the Department of Social Services' Community Grants Hub
- maintaining employee awareness of the Commonwealth Child Safe Framework and the National Principles of Child Safe Organisations.

Treasury will continue to embed child safe practices into our culture, policies and ways of working.

Environmental performance

Treasury remains committed to the principles of ecologically sustainable development consistent with relevant Commonwealth, state and territory environmental legislation, regulations, policies and initiatives. The Treasury Environmental Management Plan sets out our environmental policies and performance action plans, to meet environmental best practice wherever practicable.

In 2025–26 we minimised our impact on the environment in the areas of energy efficiency, waste and water use by:

- maintaining LED lighting systems in all new office fitouts
- reducing paper consumption by defaulting office printers to black-and-white and two-sided printing, and supporting the use of electronic document management and collaboration as well as digital and mobile technology solutions for staff (laptops)
- using energy-saver mode for most office equipment when not in use across all office locations
- using technology such as teleconferencing and videoconferencing to facilitate meetings with interstate and overseas colleagues where appropriate
- purchasing five-star energy rated electrical appliances (where available)
- participating in Earth Hour
- encouraging recycling by providing waste recycling stations, segregating waste into approved recycling streams (including waste to landfill, mingled waste and compost), engaging waste management providers to recycle used paper waste and secure paper materials
- establishing a fit-out and furniture recycling strategy that reuses the department's existing office fit-out infrastructure, including workstations; and sourcing redundant office fit-out and workstations from other government departments when available
- recycling toner cartridges, fluorescent light tubes and batteries
- using a fleet of 100 per cent low emissions vehicles
- using water flow restriction controls and water efficient appliances in kitchens and bathrooms to minimise use across the Treasury building tenancy.

In 2025–26, Treasury collected 5,711 kilograms of organic waste through organic waste bins in all kitchens for food scraps, coffee grinds, tea bags and paper towels. Canberra-based waste management business Global Worming, using a process called vermicomposting, fed this organic waste to worms and recycled it into organic fertiliser reducing the greenhouse gases otherwise produced.

Commonwealth Climate Disclosure is the government's policy for Commonwealth entities to publicly disclose their exposure to climate-related risks and opportunities, and the actions taken to manage them. As a Tranche 1 entity, Treasury is required to include climate-related disclosures in our annual reporting suite from 2024–25. Our Climate Disclosure Report has been prepared in accordance with the Year 2 Reporting Provisions and is available on our website at treasury.gov.au and the Transparency Portal transparency.gov.au.

Gender equality reporting

Treasury maintains a strong commitment to advancing workplace gender equality and has achieved female workforce representation of 50 per cent or more across most classification levels. In accordance with the requirements of the *Workplace Gender Equality Act 2012*, we participate in the Workplace Gender Equality Agency annual reporting program to support transparency and accountability in workplace gender equality. Our participation helps us monitor progress, identify opportunities for improvement, and embed gender equality considerations across our culture, policies and practices.

In line with commitments made under *Working for Women: A Strategy for Gender Equality*, government departments have committed to report on their efforts to achieve gender equality and build gender analysis capability in their annual reports. As part of this initiative, this annual report includes case studies to demonstrate how the department is working towards the ambition of a better, gender equal Australia for everyone.

Treasury, in collaboration with Department of Finance, is responsible for delivering the annual Women's Budget Statement. This work is informed by gender analysis – the consideration of how policy options will affect women and men – to help the government make decisions that support gender equality.

The focus of the Women's Budget Statement 2026–27 is to make it easier for women to work more and keep more of what they earn, and to strengthen women's long-term financial security, with a particular focus on superannuation and housing. Reforms to superannuation are helping close the gap in retirement incomes by boosting balances across women's working lives.

The government's *Homes for Australia* plan emphasises addressing family and domestic violence through Priority 6 which focuses on supporting people experiencing homelessness, crisis and violence, with a strengthened housing and support system. The plan recognises that access to safe, affordable and appropriate housing is critical for victim–survivors. It seeks to improve coordination across governments and sectors to deliver better housing outcomes for those at risk.

Economic equality and security

Stable and affordable housing is essential for women's safety and economic security. Women are more vulnerable to housing stress, are more at risk of losing access to stable housing, and more likely to experience homelessness due to family and domestic violence.

Housing

Home ownership is an important driver of socio-economic participation and equality.

Saving for a mortgage deposit and servicing a loan are significant barriers to home ownership. The gendered pay gap means women generally take longer than men to save housing deposits and face greater challenges servicing loans. Single women with dependants face particularly high barriers to home ownership.

Several government initiatives are helping people buy homes and strengthening pathways into longer-term housing.

The 5% Deposit Scheme supports eligible buyers to purchase a home with a lower deposit. Since May 2022, more than 130,000 women have been assisted into home ownership through the 5% Deposit Scheme, including over 4,000 single women with dependent children (as of 30 June 2026).

The Australian Government launched the Help to Buy Shared Equity Scheme in December 2025. Women make up 54 per cent of it participants (at 30 June 2026).

Case study: Crisis and Transitional Accommodation Programs

Women are disproportionately affected by family and domestic violence, housing insecurity and homelessness. Family and domestic violence is one of the leading causes of homelessness for women and children so access to safe and stable housing is a priority if they are to leave unsafe situations, rebuild their lives and achieve long-term security.

Treasury is supporting the supply of crisis and transitional accommodation programs worth more than $275 million for women and children at risk. The Safe Places Emergency Accommodation Program (Safe Places) and the Crisis and Transitional Accommodation Program (CTAP) support women and children experiencing family and domestic violence, and older women at risk of homelessness.

Both programs fund the construction, purchase, renovation and expansion of accommodation so women and children can have a safe place to stay and be supported into longer-term housing stability. These investments support women leaving violent relationships and strengthen their social and economic security.

Safe Places and CTAP support the objectives of the *National Plan to End Violence against Women and Children 2022–2032* by improving access to safe housing and addressing the disproportionate impacts on women of family and domestic violence, housing insecurity and homelessness.

Safe Places is providing $175.1 million in grant funding across 60 projects to deliver 425 dwellings. These will support an estimated 10,350 women and children annually. Many of the projects have a focus on emergency accommodation for First Nations women, culturally and linguistically diverse communities, and women and children with disability.

CTAP is expected to ultimately deliver 257 new crisis and transitional accommodation dwellings for women and children experiencing family and domestic violence and older women at risk of homelessness across Australia. All projects are expected to be completed and delivering services by June 2029 to assist approximately 1,279 women and children annually.

Preventing financial abuse in government systems

Preventing perpetrators weaponising government systems for financial abuse is a government priority. Financial abuse is a form of family and domestic violence that undermines victim–survivors' economic independence and ability to leave dangerous situations and rebuild their lives.

Case study: Closing financial abuse loopholes

An ongoing audit of Australian Government systems began in September 2024 to identify and address weaponisation by perpetrators. It draws on earlier reviews by the Commonwealth Ombudsman, the Tax Ombudsman, and the Parliamentary Joint Committee on Corporations and Financial Services inquiry into financial abuse.

In response to the early audit findings, the government committed to close loopholes that enabled financial abuse in tax, corporate, superannuation and social security systems. This was supported in the 2025–26 Mid-Year Economic and Fiscal Outlook (MYEFO), with measures to stop perpetrators from:

- using the tax and corporate systems to create debts for coercive control and to hold the perpetrators accountable for those debts
- from receiving their victims' superannuation death payouts
- making their victim–survivors liable for social security debts incurred due to coercion or financial abuse.

The government has consulted on ways to prevent perpetrators of family, domestic and sexual violence receiving their victims' superannuation death benefits and using company directorships to create tax and corporate debts as a form of coercive control (known as coerced directorships).

Australia and the international financial institutions

Program 1.2: Payments to international financial institutions (see Table 2), outlines various payments made by Treasury to the:

- Asian Development Bank
- European Bank for Reconstruction and Development
- International Monetary Fund (IMF)
- World Bank.

The following legislation requires further reporting on the IMF and the World Bank for 2025–26:

- Section 10 of the *International Monetary Agreements Act 1947* requires reporting on the operations of the Act and of the operations, insofar as they relate to Australia, of the Articles of Agreement of the IMF and the International Bank for Reconstruction and Development during each financial year.

Treasury is responsible for managing the Australian Government's shareholdings with the international financial institutions. The Department of Foreign Affairs and Trade (DFAT) has further interactions relating to the government's aid program (see DFAT annual report for information).

The IMF and the World Bank publish annual reports on their operations and provide information at imf.org and worldbank.org.

Australia and the International Monetary Fund

Mandate

The purposes of the IMF (set out in Article I of its Articles of Agreement) are to:

- promote international monetary cooperation
- facilitate the expansion and balanced growth of trade, contributing to high levels of employment and real income
- promote exchange rate stability and avoid competitive devaluation
- assist in the establishment of a multilateral system of payments and in the elimination of foreign exchange restrictions that hamper the growth of world trade
- make resources available to members to reduce the costs of balance of payments adjustments.

Australia's representation at the International Monetary Fund

Australia interacts with the International Monetary Fund through:

- the International Monetary Fund Board of Governors
- the International Monetary and Financial Committee
- the International Monetary Fund Executive Board
- the International Monetary Fund's Article IV consultation on Australia's economic developments and policies.

Board of Governors

The Board of Governors is the highest authority within the IMF. It consists of one governor and one alternate governor for each of the 191 member countries. The Treasurer represents Australia on the Board of Governors. The Secretary to the Treasury is Australia's Alternate Governor. Governor's votes on IMF resolutions during 2025–26 are noted in Table 39.

Table 39: Australian Governor's votes on International Monetary Fund 2025–26 resolutions

Resolution title	Date	Australian Governor's vote
Direct Remuneration of Executive Directors and their Alternates	26 August 2025	Abstain
Seventeenth General Review of Quotas	26 January 2026	Approve
Election of an Executive Director to Succeed Mr. Seong-Wook Kim	30 March 2026	Choi, Ji-Young (Republic of Korea)
2029 Annual Meetings of the Boards of Governors of the World Bank Group and the International Monetary Fund	3 April 2026	Approve

International Monetary and Financial Committee

The International Monetary and Financial Committee advises the Board of Governors on the functioning and performance of the international monetary and financial system but does not have a decision-making role.

International Monetary Fund Executive Board, Executive Director and constituency office

The IMF Executive Board conducts the day-to-day business of the IMF and determines matters of policy under the overall authority of the Board of Governors.

Australia belongs to a constituency which, in 2025–26, included Kiribati, Republic of Korea, Marshall Islands, Federated States of Micronesia, Mongolia, Republic of Naoero (formerly known as Nauru), New Zealand, Palau, Papua New Guinea, Samoa, Seychelles, Solomon Islands, Tuvalu and Vanuatu.

Australia held around 1.33 per cent of the total voting power at the IMF at 30 June 2026. The constituency, as a whole, held around 3.78 per cent.

Staffing of Australia's constituency office rotates by agreement among members. Mr Ji-Young Choi of the Republic of Korea held the constituency's Executive Director position at 30 June 2026.

Australia's Article IV consultation

In accordance with Article IV of its Articles of Agreement, the IMF conducts regular consultations with the authorities of member countries on economic policies and conditions. This includes consultation with the private sector.

In preparation for the 2025 Article IV consultations, in July 2025 the IMF conducted a virtual preliminary staff visit. The IMF held its Article IV consultation with Australia in person from 5 November to 20 November 2025.

In preparation for the 2026 Article IV consultations, the IMF conducted an in-person preliminary staff visit from 26 March to 1 April 2026. The 2026 Article IV consultation is scheduled for September 2026.

Australia's IMF Financial Sector Assessment Program assessment

As a systemically important financial system, Australia participates in an IMF Financial Sector Assessment Program assessment every 5 years to benchmark our supervisory and regulatory frameworks against international best practice principles and standards.

The IMF visited Australia in March and June 2026 to conduct its assessment, which included holding over 200 meetings with Australian regulators, banks, financial institutions and other organisations across the two visits.

Treasury, in collaboration with other Council of Financial Regulators member agencies, is continuing to engage with the IMF as it finalises its deliberations. The Australian assessment will conclude in the final quarter of 2026, with the IMF's final report expected to be released in December 2026.

Australia's quota in the International Monetary Fund and financial transactions

Australia's shareholding in the International Monetary Fund

A member's allocated shareholding in the IMF is known as its 'quota', which broadly reflects its weight in the global economy.

Australia's quota at 30 June 2026 was 6,572.4 million in Special Drawing Rights (equivalent to approximately $12,976.1 million). Part of Australia's quota is held in reserve by the IMF in Special Drawing Rights and gold. Part is held in Australia by the Reserve Bank of Australia in a combination of non-interest-bearing promissory notes and cash amounts in Australian dollars.

As part of the IMF's Sixteenth General Review of Quotas, the Australian Government agreed to approve a 50 per cent increase to the IMF quota. Under the agreement, Australia's quota will increase to 9.9 billion in Special Drawing Rights (approximately $19.5 billion). The timing of the quota increase is uncertain. The IMF Executive Board approved an extension of the period to consent to 15 November 2026, subject to conditions including consent by members representing 85 per cent of existing quota. When the IMF quota increase is implemented, Australia's contribution will be largely offset by reductions in Australia's other IMF commitments.

Australia's financial transactions with the International Monetary Fund

Australia conducts financial transactions to manage its obligations with the IMF. All transactions in 2025–26 were completed in a timely and efficient manner. They are described in the following sections on a cash basis.

Special Drawing Right charges, interest and assessment fee

The Special Drawing Right is an international reserve asset created by the IMF to supplement the official reserves of member countries. Its value is based on a basket of 5 international currencies (the US dollar, the Japanese yen, the British pound sterling, the Chinese renminbi and the euro).

Australia's cumulative allocation at 30 June 2026 was 9.38 billion in Special Drawing Rights, while our holdings were around 10.52 billion in Special Drawing Rights. The Australian Government and the Reserve Bank of Australia each hold a portion of Australia's Special Drawing Right holdings, with the Australian Government owning 5.85 billion in Special Drawing Rights and the Reserve Bank of Australia owning 4.67 billion in Special Drawing Rights at 30 June 2026. The Reserve Bank of Australia's holdings were sold to it by the Australian Government in exchange for Australian dollars.

The Australian Government is solely responsible for the cumulative allocation liability, which matches the cumulative allocation.

The IMF levies charges on the Special Drawing Rights that have been allocated to each member. It pays interest on the Special Drawing Rights held by each member. The Australian Government paid charges of 263.77 million in Special Drawing Rights (approximately $531.76 million) on Australia's cumulative allocation in 2025–26. During this period Australia received a total of 284.96 million in Special Drawing Rights (approximately $573.54 million) in interest from the IMF on Australia's Special Drawing Right holdings. Of this interest, the Australian Government received 148.74 million in Special Drawing Rights ($298.91 million) and the Reserve Bank of Australia received 136.22 million in Special Drawing Rights (approximately $274.63 million).

The IMF levies an annual assessment fee to cover the cost of operating its Special Drawing Right department. This is determined according to participants' net cumulative Special Drawing Right allocations. Australia's annual assessment fee for the IMF's financial year ending 30 April 2026 was 43,733 in Special Drawing Rights (approximately $83,908).

Remuneration

Remuneration is interest earned on quota resources held by the IMF, excluding gold. In 2025–26 Australia received remuneration of 44.01 million in Special Drawing Rights (approximately $88.69 million).

Table 40: Transactions with the International Monetary Fund in 2025–26 (cash basis)

	Amount in Special Drawing Rights (SDRs)	Amount in A$
Total interest received on Australia's Special Drawing Right holdings	284,962,237	573,540,183
Total remuneration received for Australian holdings at the International Monetary Fund	44,008,044	88,693,495
Total charges paid on Australia's Special Drawing Right allocation	263,771,449	531,759,891
Annual Assessment Fee paid to Special Drawing Right department	43,733	83,908
Maintenance of value transaction for 2024–25 payment made in July 2025		478,066,501.47
Maintenance of value transaction for 2025–26 payment made in June 2026		894,537,125.69

Note: Interest on Special Drawing Right holdings are shared proportionally between the Reserve Bank of Australia and Treasury. These transactions with the IMF are denominated in special drawing rights. Australian dollar equivalents use the exchange rate at the date of each quarterly payment.

Maintenance of value

The portion of Australia's IMF quota held in Australian dollars is subject to valuation changes when expressed in Special Drawing Rights. This is because the exchange rate between the Australian dollar and the Special Drawing Right fluctuates throughout the year.

Under the IMF Articles of Agreement, members are required to maintain the Special Drawing Right value of their quota through a 'maintenance of value' adjustment (that is, a payment or receipt as necessary) following the close of the IMF's financial year on 30 April 2026.

For the IMF's 2024–25 financial year, the Australian dollar depreciated against the Special Drawing Right. As a result, the 2024–25 maintenance of value adjustment involved a payment from Australia to the IMF of around $478.07 million, with settlement made in July 2025.

For the IMF's 2025–26 financial year, the Australian dollar appreciated against the Special Drawing Right. As a result, the 2025–26 maintenance of value adjustment involved a payment from the IMF to Australia of around $894.54 million, with settlement made in June 2026.

Lending-related transactions and Australia's reserve position in the International Monetary Fund

The IMF manages its lending of quota resources through the Financial Transactions Plan, which allocates the financing of lending transactions among members. Only IMF members with sufficiently strong balance of payments and reserve positions – such as Australia – are selected for use in the Financial Transactions Plan. Table 41 provides a summary of transactions under the Financial Transactions Plan and the resulting reserve position at the IMF.

Table 41: Australia's reserve tranche position in the International Monetary Fund 2025–26

Description	Debit (SDRs)	Debit (A$)	Credit (SDRs)	Credit (A$)
Reserve tranche position as at 30 June 2025			**1,708,594,172**	**3,373,334,989**
Total Financial Transactions Plan (FTP) payments			245,000,000	483,711,747
Total FTP receipts	141,078,625	278,536,278		
Reserve tranche position as at 30 June 2026			**1,812,515,547**	**3,578,510,458**

Note: Australia's reserve tranche position is denominated in Special Drawing Rights. Australian dollar equivalents use the exchange rate at 30 June 2026.

Financial Transactions Plan transactions (and any transfers for administrative purposes) directly impact on Australia's reserve position at the IMF. In 2025–26, the amount of Australia's Special Drawing Right reserves held by the IMF increased from around 1.71 billion to 1.81 billion.

Through the New Arrangements to Borrow, Australia and 39 other member countries have committed to lend additional resources to the IMF. The arrangement constitutes a second line of funding defence to supplement IMF resources to forestall or cope with an impairment of the international monetary system. New Arrangements to Borrow is used when the IMF needs to supplement its quota resources for lending purposes.

Australia has made a line of credit available to the IMF under its New Arrangements to Borrow since 1998. As at 30 June 2026, the value of Australia's New Arrangements to Borrow credit arrangement is 4.4 billion in Special Drawing Rights (approximately $8.77 billion). The New Arrangements to Borrow is not currently active or being called upon.

Bilateral Borrowing Agreements provide a third line of funding defence to supplement IMF resources. Australia has also made available 2.0 billion in Special Drawing Rights (approximately $3.92 billion) through a Bilateral Borrowing Arrangement. On 20 November 2024, the Australian Government finalised a further extension of the Agreement through to 31 December 2027.

Australia entered into agreements with the IMF to lend a portion of our Special Drawing Right holdings to the Poverty Reduction and Growth Trust (Table 42) on 23 October 2020 and 7 October 2022. The Poverty Reduction and Growth Trust provides concessional financial support to help low-income countries achieve, maintain or restore a stable and sustainable macroeconomic position consistent with strong and durable poverty reduction and growth.

Table 42: Australia's Poverty Reduction and Growth Trust transactions in 2025–26

Description	Debit (SDRs)	Debit (A$)	Credit (SDRs)	Credit (A$)
Poverty Reduction and Growth Trust Loan Account as at 30 June 2025			317,577,744	627,004,430
Total loans (payments)			11,060,000	21,836,130
Total receipts (repayments)	0	0		
Poverty Reduction and Growth Trust Loan Account as at 30 June 2026			328,637,744	648,840,560

Note: Poverty Reduction and Growth Trust loans are denominated in Special Drawing Rights. Australian dollar equivalents use the exchange rate at 30 June 2026.

The Australian Government earns interest on any funds lent or contributed under the Poverty Reduction and Growth Trust. In 2025–26, the Australian Government received interest payments on its Poverty Reduction and Growth Trust loans of 8.87 million in Special Drawing Rights (approximately $18.07 million). Interest is calculated using the Special Drawing Right interest rate, accrued daily and paid quarterly.

Australia entered into an agreement with the IMF to lend Special Drawing Right holdings to the Poverty Reduction and Growth Trust Pooled Investment on 7 October 2022. The full balance was later transferred to the IMF's newly established Long-Term Investment Account. In 2025–26, the Australian Government received interest payments on its Long-Term Investment Account deposit of 16.93 million in Special Drawing Rights (approximately $35.10 million). Interest is calculated using the Special Drawing Right interest rate, accrued daily and paid quarterly. This investment provided subsidy resources of 82 million in Special Drawing Rights and when this contribution was met, the IMF returned Australia's Special Drawing Right holdings alongside excess earnings on 1 December 2025.

Australia entered into an agreement with the IMF to lend a portion of its Special Drawing Right holdings to the IMF's Resilience and Sustainability Trust (Table 43) on 7 October 2022. The Resilience and Sustainability Trust provides affordable long-term financing to help low-income countries, small states and vulnerable middle-income countries build economic resilience and sustainability to address the risks stemming from climate change and pandemics.

Table 43: Australia's Resilience and Sustainability Trust transactions in 2025–26

Description	Debit (SDRs)	Debit (A$)	Credit (SDRs)	Credit (A$)
Resilience and Sustainability Trust Loan Account as at 30 June 2025			137,718,750	271,902,764
Total loans (payments)			21,714,000	42,870,681
Total receipts (repayments)	0	0		
Resilience and Sustainability Trust Loan Account as at 30 June 2026			159,432,750	314,773,445

Note: Resilience and Sustainability Trust loans are denominated in Special Drawing Rights. Australian dollar equivalents use the exchange rate at 30 June 2026.

The Australian Government earns interest on any funds lent to the Resilience and Sustainability Trust Loan Account or deposited in the Resilience and Sustainability Trust Deposit Account. In 2025–26, the Australian Government received interest payments on its Resilience and Sustainability Trust loans of 3.82 million in Special Drawing Rights (approximately $7.68 million). Interest is calculated using the Special Drawing Right interest rate, accrued daily and paid quarterly.

As part of our Resilience and Sustainability Trust agreement, Australia also contributes to the Resilience and Sustainability Trust Deposit Account and Reserve Account. These contributions support the loan contribution by enabling the IMF to build sufficient reserves over time to manage risks associated with Resilience and Sustainability Trust lending. In 2025–26, the Australian Government received interest payments on its Resilience and Sustainability Trust Deposit Account deposit of 4.27 million in Special Drawing Rights (approximately $8.61 million). Contributing to the Resilience and Sustainability Trust Reserve Account will not generate interest, but upon liquidation of the Trust, Australia will receive its share of the Resilience and Sustainability Trust Reserve Account.

Australia's participation in International Monetary Fund Voluntary Trading Arrangements

Australia participates in the IMF's Voluntary Trading Arrangements for Special Drawing Rights. These arrangements, involving around 40 IMF member countries, support the liquidity and functioning of the Special Drawing Right market by enabling Special Drawing Right exchange for freely usable currencies.

Under this framework, Australia agrees to buy and sell Special Drawing Rights within set limits, helping support the Special Drawing Rights' role as a key international reserve asset. The Reserve Bank of Australia manages these transactions using its own holdings of Special Drawing Rights and foreign exchange, with policy oversight by Treasury. Australia's participation reflects its commitment under the IMF's Articles of Agreement to support the effective operation of the Special Drawing Rights system. In 2025–26, Australia's purchases and sales of Special Drawing Rights through IMF Voluntary Trading Arrangements totalled 564.6 million in Special Drawing Rights.

Loans under the *International Monetary Agreements Act 1947* in 2025–26

The IMA Act provides that Australia may enter into an agreement for a loan to another country in some circumstances. First, the loan needs to provide financial assistance in support of an IMF program to another country. Second, the Treasurer needs to be satisfied that at least one other government or organisation has, or will be, providing similar assistance.

No new loans were issued under the IMA Act in 2025–26.

Australia and the World Bank

Australia's shareholding and relations with the World Bank

Mandate

The World Bank is a multilateral development bank charged with providing financial services, through advice, direct loans, grants, and brokerage to support stable and inclusive growth within countries and across and between regions. It works closely with the IMF, which is responsible for ensuring the stability of the international monetary system.

The World Bank's mission is to end extreme poverty and boost shared prosperity on a liveable planet.

World Bank strategic priorities

The World Bank collaborates with multilateral institutions, sovereign nations and the private sector to mobilise financing and leverage knowledge to ensure assistance is harmonised and effective. The World Bank is implementing a strategy to substantially increase the volume of private sector funds invested in developing and emerging market economies.

Institutions of the World Bank

- International Bank for Reconstruction and Development
- International Development Association
- International Finance Corporation
- Multilateral Investment Guarantee Agency
- International Centre for Settlement of Investment Disputes

The World Bank's 2 main institutions are the International Bank for Reconstruction and Development, and the International Development Association. The International Bank for Reconstruction and Development provides loans, guarantees, risk management products and advisory services to governments of middle-income and credit-worthy low-income countries. The International Development Association provides concessional grants and loans to low-income countries.

The International Finance Corporation is the largest global development institution focused exclusively on the private sector. It helps developing countries achieve sustainable growth by financing – in association with private investors – the establishment, improvement and expansion of productive private enterprises, which will contribute to the development of its member countries.

The Multilateral Investment Guarantee Agency promotes foreign direct investment into developing countries by offering political risk insurance (guarantees) to investors and lenders.

The International Centre for Settlement of Investment Disputes provides international facilities for conciliation, mediation and arbitration of investment disputes.

Australia's membership of the International Bank for Reconstruction and Development, International Finance Corporation, and Multilateral Investment Guarantee Agency requires the Australian Government to hold shares in these institutions. Australia's shareholdings at 30 June 2026 and Australia's shareholding and voting power are indicated in Table 44 and Table 45.

Table 44: Australian shareholdings at the World Bank at 30 June 2026

	International Bank for Reconstruction and Development (IBRD)	International Finance Corporation (IFC)	Multilateral Investment Guarantee Agency (MIGA)
Shares	39,054	463,234	3,019
Price per share (US$)	120,635	1,000	10,820
Value of total capital (US$ millions)	4,711.28	463.23	32.67
Value of paid-in capital (US$ millions)	342.13	463.23	6.20
Value of callable capital (US$ millions)	4,369.15	0.00	26.46
Value of total capital (A$ millions)	6,858.76	674.38	47.56

Table 45: Australia's shareholding and voting power in the World Bank

	IBRD	IDA	IFC	MIGA
Shareholding (per cent of total)	1.42	--	1.91	1.70
Voting power (per cent of total)	1.37	1.24	1.83	1.47

Note: Shareholdings and voting power at 30 June 2026. Shareholding and voting power differ in International Bank for Reconstruction and Development, International Finance Corporation and Multilateral Investment Guarantee Agency due to the allocation of basic votes across countries. At the International Centre for Settlement of Investment Disputes, the Administrative Council comprises a representative from each contracting state with equal voting power.

Each arm of the World Bank has its own arrangement for allocating votes and shares among members. The Board of Governors and Executive Directors continue to work towards ensuring the World Bank has adequate resources to complete its mission and that its shareholding reflects changes in the world economy.

In addition to the shareholdings managed by Treasury, DFAT contributes to replenishments to International Development Association and funds for joint activities through Australia's country, regional and global programs. DFAT's annual report provides information on Australia's aid program.

Australia's cooperation with the World Bank

Australia is involved in World Bank strategy and supports efforts to strengthen the World Bank's governance and optimise its effectiveness. Membership enables Australia to pursue economic development outcomes for our region as well as promote the benefits of an open global economy.

Australia is a strong voice at the World Bank and in G20 forums. Australia has called for optimal use of the World Bank's balance sheet and the 'crowding in' of private sector finances.

Australia's representation at the World Bank

Board of Governors

The highest decision-making body of the World Bank is the Board of Governors, comprising one governor from each of the 189 member countries. In 2025–26, Australia's Governor was the Treasurer and the Alternate Governor was the Assistant Treasurer. Table 46 outlines the Australian Governor's votes for the 2025–26 financial year.

Table 46: Australian Governor's votes on World Bank resolutions in 2025–26

Institution	Resolution title	Date	Australian Governor's vote
IBRD	Direct Remuneration of Executive Directors and their Alternates	26 August 2025	Abstained from voting
IBRD	Approve the allocation of the FY25 net income	8 September 2025	Approved
IBRD	Transfer from Surplus to Replenish the Trust Fund for Gaza and the West Bank	8 September 2025	Approved
IBRD	Transfer from Surplus to the IBRD Surplus-Funded Liveable Planet Fund	8 September 2025	Approved
IBRD	Transfer to the Grant Facility for Project Preparation Fund	8 September 2025	Approved
IFC	Reallocation of Unsubscribed and Unallocated Capital Stock	17 November 2025	Approved
IBRD	Reallocation of Unsubscribed and Unallocated Capital Stock	8 January 2026	Approved
ICSID	Election of ICSID Deputy Secretary- General	2 February 2026	Approved
IBRD	Forthcoming 2029 Annual Meetings	3 April 2026	Approved
IDA	Additions to Resources – IDA Crisis Facility 2.0	23 June 2026	Approved

Executive Director and Constituency Office

The World Bank's Executive Boards (International Bank for Reconstruction and Development, International Development Agency, International Finance Corporation, and Multilateral Investment Guarantee Agency) conduct the day-to-day business of the World Bank and determine matters of policy under the overall authority of the Board of Governors.

Australia belongs to a constituency of countries from the Asia-Pacific region that includes Cambodia, Kiribati, Republic of Korea, Marshall Islands, Federated States of Micronesia, Mongolia, Republic of Naoero (formerly known as Nauru), New Zealand, Palau, Papua New Guinea, Samoa, Solomon Islands, Tuvalu and Vanuatu.

One Executive Director represents the constituency on the Board of Executive Directors.

By agreement, Australia and Republic of Korea rotate this role every 2 years. At 30 June 2026, Mr Robert Bruce Nicholl of Australia held the constituency's Executive Director position.

Foreign investment

Treasury's Foreign Investment Division plays an important regulatory role. It enables foreign investment that is vital to Australia's prosperity. It safeguards Australia's national interest and security. Foreign investment helps drive economic growth and improves productivity, competition and innovation.

Foreign investment policy developments

In the 2026–27 Budget, the government announced a package of legislative, policy and practice reforms to further streamline and strengthen Australia's foreign investment framework. These reforms include setting a new performance target of deciding all low-risk applications within 30 days from 1 January 2027, updating or removing ineffective conditions on existing foreign investment approvals, streamlining the Register of Foreign Ownership of Australian Assets, and amending foreign investment legislation to further streamline low-risk investment and strengthen powers for high-risk investment and non-compliance under the foreign investment framework.

Announced changes to foreign investment legislation include expanding exemption certificates to reduce regulatory burden on low-risk investments by frequent low-risk investors, eliminating approval requirements for some low-risk transactions, more agile compliance and enforcement powers to better respond to non-compliance and avoidance and targeted narrow increases to screening requirements to better protect our most sensitive sectors and businesses. These reforms build on the government's 2024 policy and practice reforms. The 2026–27 Budget included additional funding for Treasury to implement these reforms, which is progressing.

Also announced as part of the 2026–27 Budget, the government extended the temporary ban on foreign purchases of established residential dwellings by 2 years and 3 months until 30 June 2029. The ban was originally implemented for 2 years from 1 April 2025 and prohibits foreign persons (including temporary residents and foreign-owned companies) purchasing established dwellings in Australia, with limited exceptions.

Foreign investment framework and regulation

The foreign investment framework ensures investments are not contrary to Australia's national interest, balancing the need to attract investment with maintaining public confidence.

The framework is governed by the *Foreign Acquisitions and Takeovers Act 1975*, the *Foreign Acquisitions and Takeovers Fees Impositions Act 2015,* and associated regulations. Administration of the legislative framework is set out in Australia's Foreign Investment Policy and supporting Guidance Notes.

Under the *Foreign Acquisitions and Takeovers Act 1975*, the Treasurer is responsible for Australia's foreign investment policy and the foreign investment framework. Decision-making delegations exist to allow Treasury portfolio ministers, and Treasury and Australian Taxation Office (ATO) officials to act on the Treasurer's behalf.

Treasury is responsible for the foreign investment policy framework and administers the framework in relation to business, agricultural land and commercial land proposals. The ATO administers the framework in relation to residential real estate proposals, is responsible for the Register of Foreign Ownership of Australian Assets and administers vacancy fees for foreign-owned residential properties.

Review of foreign investment proposals

Table 47 and Table 48 show the approved investment proposals during the reporting period. There were 1,356 commercial investment proposals approved in 2025–26 (Table 47). There were 124 commercial investment proposals withdrawn in 2025–26. The value of approved commercial investment proposals was $277.5 billion (Table 48). The ATO approved 2,979 residential real estate proposals valued at $4.7 billion in 2025–26.

Table 47: Number of investment proposals 2023–24 to 2025–26

	Commercial			Residential real estate		
	2023–24	2024–25	2025–26	2023–24	2024–25	2025–26
Approved with conditions	476	443	450	4,042	2,692	1,589
Approved without conditions	755	919	906	1,539	1,230	1,390
Total approved	**1,231**	**1,362**	**1,356**	**5,581**	**3,922**	**2,979**
Withdrawn	246	134	134	139	94	125
Prohibition orders	1	0	1	0	0	0
Disposal orders	5	0	6	0	0	0

Note: Residential real estate figures do not include property developer New Dwelling Exemption Certificate sales.

Variations from previously published statistics are due to the reconciliation processes.

Table 48: Value of investment proposals approved ($ billion) 2023–24 to 2025–26

	Commercial			Residential real estate		
	2023–24	2024–25	2025–26	2023–24	2024–25	2025–26
Approved with conditions	133.8	198.2	154.4	4.8	3.5	2.9
Approved without conditions	53.3	53.3	123.1	1.8	1.4	1.8
Total	**187.0**	**251.5**	**277.5**	**6.6**	**4.9**	**4.7**

Note: Anomalous values or values that could identify specific transactions have been removed. The ATO assessed some commercial applications received before December 2022.

Variations from previously published statistics are due to the reconciliation processes.

Approved investment proposals by investment source and industry sector

In 2025–26, the United States was the largest source country for commercial investment proposals by number and value ($41.5 billion from 420 proposals). The next 4 largest source countries by value were Singapore ($26.8 billion), United Kingdom ($25.9 billion), United Arab Emirates ($14.9 billion) and China ($14.1 billion).

Table 49: Top 10 sources of investment by value of approved commercial investment proposals 2023–24 to 2025–26

Country	Number			Value ($ billion)		
	2023–24	2024–25	2025–26	2023–24	2024–25	2025–26
United States	504	524	**420**	65.7	122.3	**41.5**
Singapore	265	275	**222**	9.4	11.2	**26.8**
United Kingdom	176	203	**143**	2.9	5.9	**25.9**
United Arab Emirates	158	162	**110**	4.9	3.8	**14.9**
China	200	189	**140**	4.2	2.6	**14.1**
Canada	316	299	**230**	6.3	12.7	**13.4**
Japan	114	155	**116**	20.0	15.0	**10.0**
Saudi Arabia	60	58	**52**	3.9	9.1	**5.1**
Netherlands	55	74	**41**	0.8	1.4	**4.4**
South Africa	20	35	**15**	0.6	4.5	**4.4**

Note: This table is sorted by the value of approved proposals in the 2025–26 financial year. Proposals involving more than one source country are counted against each source country. Variations from previously published statistics are due to the reconciliation processes.

In 2025–26, China was the largest source of investment for approved residential real estate investment proposals by number and value ($0.9 billion from 785 proposals). The next 4 largest sources of residential investment by value were Taiwan ($0.5 billion), Vietnam ($0.3 billion), Indonesia ($0.2 billion) and India (0.2 billion).

Table 50: Top 10 sources of investment by value of approved residential real estate proposals 2023–24 to 2025–26

Country	Number			Value ($ billion)		
	2023–24	2024–25	2025–26	2023–24	2024–25	2025–26
China	1,998	1,355	**785**	2.6	1.4	**0.9**
Taiwan	395	463	**387**	0.4	0.5	**0.5**
Vietnam	363	383	**293**	0.4	0.3	**0.3**
Indonesia	194	234	**169**	0.2	0.2	**0.2**
India	550	509	**243**	0.4	0.2	**0.2**
Hong Kong Special Administrative Region	409	284	**157**	0.4	0.3	**0.1**
Singapore	268	254	**110**	0.2	0.2	**0.1**
Nepal	321	286	**112**	0.3	0.1	**0.1**
United Kingdom	197	192	**80**	0.2	0.1	**0.1**
Malaysia	145	201	**68**	0.1	0.1	**0.1**

Note: This table is sorted by the value of approved proposals in the 2025–26 financial year. Variations from previously published statistics are due to reconciliation processes.

The 2 largest target sectors for proposed investment for 2025–26 by value were Services with a total value of $104.9 billion, and Commercial Real Estate, with a total value of $67.2 billion. The third largest sector was Manufacturing, Electricity & Gas ($34.2 billion).

Table 51: Number and value of approved investment proposals by industry sector 2023–24 to 2025–26

	Number			Value ($ billion)		
	2023–24	2024–25	2025–26	2023–24	2024–25	2025–26
Services	341	372	**422**	54.9	112.6	**104.9**
Commercial Real Estate	464	479	**506**	35.8	54.0	**67.2**
Manufacturing, Electricity & Gas	137	161	**161**	14.5	13.0	**34.2**
Finance & Insurance	82	76	**122**	21.6	33.5	**33.0**
Mineral Exploration & Development	130	169	**135**	54.9	31.5	**29.5**
Agriculture, Forestry & Fishing	134	183	**152**	5.3	6.9	**8.6**
Residential Real Estate	5,581	3,922	**2,979**	6.6	4.9	**4.7**

Note: This table is sorted by the value of approved proposals in the 2025–26 financial year. Variations from previously published statistics are due to the reconciliation processes.

Median processing times

Treasury's median processing time for approved commercial investment proposals was 35 days in 2025–26. This is higher than the median processing time of 33 days in 2024–25, and lower than 41 days in 2023–24.

The government announced on 1 May 2024 that Treasury will adopt a new performance target of processing 50 per cent of investment proposals within the 30-day statutory decision period, from 1 January 2025. Treasury adopted this new target from 1 January 2025 and the 2025–26 financial year data in Table 52 and Figure 17 present progress against this target.

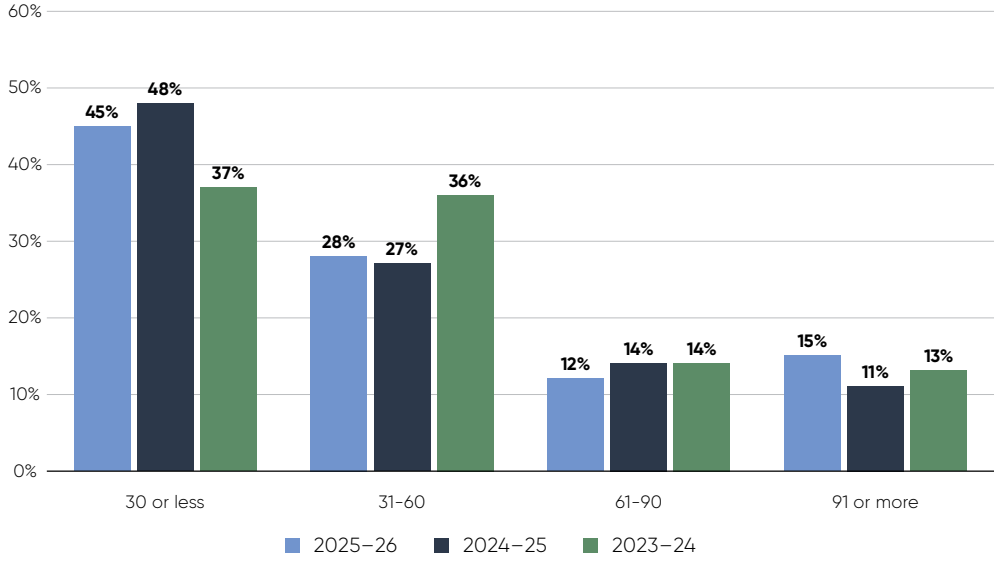
Table 52: Median processing times for decided commercial investment proposals 2023–24 to 2025–26

2023–24	2024–25	2025–26
41 days	33 days	35 days

Note: Treasury updated its processing time methodology to only capture decided proposals subject to the statutory time period in the *Foreign Acquisitions and Takeovers Act 1975* and excludes administrative approvals.
Variations from previously published statistics are due to the reconciliation processes.

In 2025–26, 45 per cent of cases were processed in 30 days or less, compared to 48 per cent in 2024–25 and 37 per cent in 2023–24.

Figure 17: Decided investment proposal processing times (number of days) 2023–24 to 2025–26



Note: Treasury updated its processing time methodology to capture only decided proposals subject to the statutory time period in the *Foreign Acquisitions and Takeovers Act 1975* and exclude administrative approvals.
Variations from previously published statistics are due to the reconciliation processes.

Table 53: Residential real estate investment median proposal processing times 2023–24 to 2025–26

2023–24	2024–25	2025–26
6 days	4 days	11 days

The ATO's residential real estate median processing time increased from previous financial years to 11 days for 2025–26.

National security

The government's May 2024 reforms included dedicating greater resources and applying more scrutiny to foreign investment proposals in critical and sensitive sectors. They also included enhancing compliance monitoring and enforcement activities.

These reforms build on changes which took effect in January 2021, to strengthen the foreign investment framework's national security powers and increase the types of transactions subject to mandatory notification. These changes enabled investors to voluntarily notify actions that may pose national security concerns.

Of the 1,356 commercial foreign investment proposals approved in 2025–26, 125 related to national security actions with a total value of $11.2 billion that would not have been captured prior to January 2021.[28] Of these national security actions, 91 were mandatory notifications and 34 were voluntary.

Table 54: Number of approved national security investment proposals 2023–24 to 2025–26

		2023–24	2024–25	2025–26
Mandatory	Approved with conditions	11	8	17
	Approved without conditions	42	77	74
	Total	**53**	**85**	**91**
Voluntary	Approved with conditions	1	5	5
	Approved without conditions	24	19	29
	Total	**25**	**24**	**34**

Note: Proposals are categorised as either mandatory or voluntary notifications.
Variations from previously published statistics are due to the reconciliation processes.

28 Table 47: Number of investment proposals 2023–24 to 2025–26.

Table 55: Value of approved national security investment proposals ($ billion) 2023–24 to 2025–26

	2023–24	2024–25	2025–26
Approved with conditions	0.3	0.5	5.9
Approved without conditions	2.4	4.3	5.3
Total	**2.6**	**4.7**	**11.2**

Note: Slight variations are due to rounding of a decimal value.

Treasury's foreign investment compliance activities

Treasury adopts a risk-based approach to administering the foreign investment framework, focusing compliance efforts on areas that pose the greatest risk to Australia's national interest and national security. This approach aims to detect and address non-compliance while supporting voluntary compliance through education and engagement.

The *Foreign Acquisitions and Takeovers Act 1975* provides enforcement powers that enable Treasury to respond proportionately to non-compliance based on the nature and seriousness of breaches, as well as investor conduct and compliance history. Treasury's compliance approach is outlined on foreigninvestment.gov.au and in the Foreign Investment Compliance Framework Policy Statement. It is underpinned by education, market intelligence, compliance assurance and enforcement.

In 2025–26, Treasury strengthened its compliance activities, with a particular focus on foreign investments in sectors of national importance, including critical minerals, infrastructure and technology.

In January 2026, Federal Court of Australia ordered foreign investors to pay $14 million in civil penalties for failing to comply with a disposal order issued in 2024 to address national security concerns. The outcome followed enforcement action commenced by the Treasurer in June 2025 seeking civil penalties for the contraventions. Treasury also issued 18 infringement notices during the year for contraventions of the *Foreign Acquisitions and Takeovers Act 1975*.

During 2025–26, the government funded Treasury and its co-regulator, the ATO, to implement the *Temporary Ban on Foreign Purchases of Established Dwellings and Further Discouraging Land Banking by Foreign Investors* measure. As part of this, Treasury undertook a one-year risk-based regulator audit program and monitoring activities focused on investments linked to Australia's housing supply. These activities strengthened oversight of development conditions, educated foreign investors on their obligations, identified non-compliance and supported several enforcement outcomes.

Treasury compliance activities summary

Table 56 to Table 61 summarise compliance activities undertaken across the 2025–26 financial year. Details can be found in the Quarterly Reports on Foreign Investment.

Table 56: Number of condition mandated reports 2023–24 to 2025–26

	2023–24	2024–25	2025–26
Condition mandated reports assessed[a]	3,188	2,681	**2,748**

a) Condition mandated reports assessed may include reports carried over from the previous financial years.
Note: Any changes in historical figures are due to quality assurance activities.

Table 57: Number of regulator audits completed 2023–24 to 2025–26

	2023–24	2024–25	2025–26
Regulator audits completed	7	5	**11**

Table 58: Number of independent audits completed 2023–24 to 2025–26

	2023–24	2024–25	2025–26
Proposals approved	76	91	**78**
Reports completed	70	100	**71**
Reports compliant	36	53	**53**
Reports non-compliant	34	47	**18**
Remediation Action Plans approved	36	32	**13**

Table 59: Number of matters sourced via non-compliance referrals and assessments by information source 2023–24 to 2025–26

	2023–24	2024–25	2025–26
Reports/referrals of potential non-compliance received	180	135	**138**

Note: Including retrospective notifications received from investors.

Table 60: Number of investigation matters completed 2023–24 to 2025–26

	2023–24	2024–25	2025–26
Investigations commenced	9	17	**17**
Investigations completed	4	7	**12**

Note: Any changes in historical figures are due to quality assurance activities.

Table 61: Enforcement outcomes 2023–24 to 2025–26

	2023–24	2024–25	2025–26
Infringement notices issued	19	1	**18**
Civil penalties proceedings commenced	0	1	**0**

Australian Taxation Office's compliance activities

The ATO is committed to strengthening Australia's foreign investment framework and working with Treasury to ensure foreign investors meet foreign investment rules and comply with their obligations.

The ATO regulates foreign investment by administering residential application screening, collecting fees, managing asset registration and vacancy fee requirements, and undertaking targeted residential compliance activities.

ATO officers consider all applications to purchase residential real estate on a case-by-case basis to ensure the proposed investment is not contrary to Australia's national interest. In 2025–26, the ATO continued to strengthen its screening process for certain foreign investment applications. This strengthened approach supports the temporary ban on foreign purchases of established dwellings from 1 April 2025 and the land banking audit program that commenced on 1 July 2025. It increases scrutiny of applications seeking to rely on a limited exception to the ban, and of proposed purchases of vacant land to identify land banking risks and support compliance with residential development conditions.

The ATO uses sophisticated data matching and community tip offs to detect foreign investors who purchase residential real estate without approval or do not comply with conditions of their approval. This includes collection of annual vacancy fee returns and conducting compliance checks over these statements. Consequences of breaching the foreign investment rules include forced divestment, infringement notices and civil penalties. The ATO's website includes more information about its compliance approach for foreign investment in residential assets.

In 2025–26, ATO compliance activities focused on high-risk residential investments. These included:

- foreign purchases of established dwellings contrary to the ban
- failure to meet development conditions
- circumvention of foreign investment rules through concealment of beneficial ownership.

Additional government funding committed from 1 January 2024 contributed to higher compliance outcomes in 2024–25, with those elevated results maintained in 2025–26 despite an increased focus on more complex and resource-intensive investigations.

In 2025–26, the ATO completed 311 investigations and 208 breaches of the foreign investment rules were remediated. Rectification of these breaches included divestments, retrospective approvals and variations to existing conditions imposed. Of the 208 remediated breaches, 57 per cent were related to established dwellings and 38 per cent related to parcels of vacant land that were acquired with development conditions. In 2025–26, the ATO also:

- issued 160 infringement penalty notices totalling $5,888,869
- raised $16,993,185 in vacancy fee liabilities as part of the annual vacancy return lodgement compliance program
- filed 2 litigation cases in the Federal Court for failure to construct on vacant land.

Table 62: Residential real estate compliance investigations 2023–24 to 2025–26[a]

Investigations	2023–24	2024–25	2025–26
Completed [b]	602	548	**311**

a) As a result of improved methodology for reporting outcomes, 2024–25 and 2025–26 figures are not directly comparable with prior years. In 2025–26 a firmer compliance approach was taken focusing on more high-risk cases.

b) 2023–24 and 2024–25 figures include compliance activities completed during the year using prompter campaigns. A prompter campaign uses an educational approach to compliance aimed at assisting investors to comply with their obligations.

Table 63: Remediation of identified breaches 2023–24 to 2025–26

	2023–24		2024–25		2025–26[a]	
Remediation	No.	Percentage	No.	Percentage	No.	Percentage
Divestment [b]	66	46.80	111	51.15	145	69.71
Retrospective approval [c]	18	12.77	71	32.72	19	9.13
Change of conditions [d]	57	40.43	35	16.13	44	21.15
Total breaches remediated	**141**	**100.00**	**217**	**100.00**	**208**	**100.00**

Note: Percentages may not equal 100 due to rounding.

a) As a result of improved methodology for reporting outcomes, 2024–25 and 2025–26 figures are not directly comparable with prior years. In 2025–26 a firmer compliance approach was taken focusing on more high-risk cases.

b) Includes property disposals initiated by the client following an ATO investigation.

c) Approval is provided after the property has been purchased.

d) In the course of an investigation, the ATO determines a foreign investor is in breach of their approval condition and works with the investor to remedy the breach. Where appropriate, an infringement notice is also issued in these situations for failure to comply with conditions.

Table 64: Number of infringement notices issued 2023–24 to 2025–26

	2023–24	2024–25	2025–26
Infringement notices issued	38	161	**160**

Foreign investment digital transformation

To support the expanded remit flowing from the 2021 legislative reforms, the 2020–21 Budget provided $86.3 million over 4 years (2021–24) to deliver business and digital transformation programs to support the work of Treasury and the ATO.

As part of the digital transformation program Treasury delivered a new integrated case and compliance management system on 28 May 2025. The system includes these features:

- end-to-end case management for foreign investment submissions
- foreign investment portal for investors and their representatives
- portal for government consult partners to provide advice on case assessments
- new Register of Foreign Ownership of Australian Assets, delivered by the ATO
- single view of foreign investment case data
- Treasury payment gateway.
- Throughout 2025–26, the new case and compliance management system significantly improved Treasury's digital service delivery capability. It consolidated legacy data holdings and replaced them with an integrated platform for users. This has enabled investors, agents and government consultation partners to engage with Treasury more efficiently.
- Treasury has adopted a continuous improvement approach to the platform. Three systems releases in 2025–26 enhanced functionality, strengthened regulatory capability and delivered additional efficiencies. These improvements helped Treasury finalise 1,018 submissions since the first systems upgrade on 13 September 2025.

The Foreign Investment Review Board

The Foreign Investment Review Board (the Board) is a non-statutory body that advises the Treasurer and government on foreign investment matters. The Treasurer is responsible for decisions about foreign investment policy and proposals. Treasury's Foreign Investment Division administers the foreign investment regulatory framework and supports the Board's work.

Board members have expertise in foreign affairs, national security, business, investment, finance and specific sectors. Robust probity procedures ensure any real or perceived conflicts of interests are appropriately managed.

The Board has several roles:

- Examining proposed investments in Australia that are subject to the *Foreign Acquisitions and Takeovers Act 1975* and supporting legislation and covered by Australia's Foreign Investment Policy, and making recommendations to the Treasurer and other Treasury portfolio ministers on these proposals.
- Providing advice to the Treasurer on the operation of Australia's Foreign Investment Policy and the *Foreign Acquisitions and Takeovers Act 1975*.
- Fostering an awareness and understanding of Australia's Foreign Investment Policy and the *Foreign Acquisitions and Takeovers Act 1975*.

Members bring professional expertise to the Board's functions and are required to take steps to avoid conflicts of interest when performing their duties. The Board has strong policies and procedures in place to identify and manage conflicts of interest appropriately and maintain integrity in performing its role.

Members do not participate in any discussion or decision-making related to applications where they hold board roles in any of the parties involved in the transaction. Board members do not have access to any case-specific information where a potential conflict has been identified.

Foreign Investment Review Board membership

On 30 June 2026, the Board had 7 members, made up of 6 part-time members and one full-time executive member – the First Assistant Secretary of Treasury's Foreign Investment Division.

Table 65: Members of the Foreign Investment Review Board at 30 June 2026

Name	Qualifications and experience	Date of commencement
Bruce Miller AO (Chair)	Mr Miller has had a distinguished career in international relations and intelligence, occupying senior positions in the Department of Foreign Affairs and Trade, the Department of the Prime Minister and Cabinet, and the Office of National Assessments. He served as Australia's Ambassador to Japan (2011–17). He is a non-executive director of Australian life insurance company TAL, and 2 Japanese companies, Dai-ichi Life Holdings and the INPEX corporation.	Non-executive member since 6 April 2022
Steven Skala AO	Mr Skala is the Chairman of Clean Energy Finance Corporation (since 2017) and brings extensive experience in law, business and banking, as well as government-related and not-for-profit organisations. He is active beyond banking and commerce as the Chairman of the Heide Museum of Modern Art, an Honorary Life Governor of The General Sir John Monash Foundation, a Director of the Centre for Independent Studies and a Member of the International Council of the Museum of Modern Art (MoMA) in New York.	Non-executive member since 18 September 2020
Carolyn Kay	Ms Kay is Chair of Rothschild & Co Australia, and a non-executive director of National Australia Bank, Scentre Group and Myer Family Investments. In the not-for-profit sector she is a non-executive director of The General Sir John Monash Foundation and a Trustee of Sydney Grammar School. In 2001, she was awarded the Centenary Medal for services to Australian society in business leadership. Ms Kay brings extensive experience to the Board as an executive and non-executive director with more than 35 years' experience in the finance sector.	Non-executive member since 20 November 2021

Name	Qualifications and experience	Date of commencement
Sarah Pearson	Dr Pearson is Chancellor at the University of New England, a non-executive director of Royal Automobile Club of Queensland, Adjunct Professor at the University of Queensland, and member of Main Sequence Ventures Investment Committee. She has represented Australia globally as Chief Scientist and Chief Innovation Officer at the Commonwealth Department of Foreign Affairs and Trade. She brings significant experience in public and private science and innovation roles in technology and data, medical and biotechnology, food science, consumer goods, financial services, social impact, venture capital and start-ups.	Non-executive member since 7 December 2023
Linda Apelt	Ms Apelt is a Director of the Australian Retirement Trust, Chair of Opera Queensland and a Member of the Griffith University Council. She served as Agent-General for Queensland in the United Kingdom and the Queensland Trade and Investment Commissioner, Europe between 2017 and 2021 and was a former Director General for Departments of Communities and Housing with the Queensland government. Ms Apelt was previously a Director with the Association of Economic Representatives in London, Adjunct Professor at the University of Queensland, Chair of Screen Queensland and Chair of Common Ground Queensland.	Non-executive member since 7 December 2023
Kellie Benda	Ms Benda has held senior executive positions with AGL Limited, Origin Energy Limited, Aurizon Limited, and is a Fellow of the Australian Institute of Company Directors. She is currently a non-executive director or Chair of several organisations. She brings experience to the Board across industries including mining and resources, energy, utilities, infrastructure, technology, health services, agriculture, insurance and professional services.	Non-executive member since 7 December 2023
Chris Tinning	Mr Tinning is the First Assistant Secretary of Treasury's Foreign Investment Division and the Executive Member of the Board. He has over 20 years' experience with the Department of Foreign Affairs and Trade and the former Australian Agency for International Development, including in the role of Chief Economist Development. His international experience includes postings in Jakarta and Washington, and a secondment to the World Bank as adviser to Australia's Executive Director.	Executive member since 19 June 2023

Table 66: Foreign Investment Review Board meeting attendance during 2025–26

	Meetings attended	Meetings eligible to attend
Bruce Miller AO	8	8
Steven Skala AO	8	8
Carolyn Kay	8	8
Linda Apelt	7	8
Dr Sarah Pearson	8	8
Kellie Benda	8	8
Chris Tinning	6	8

Payment times reporting

Payment Times Reporting Scheme

Preparation of this report is in accordance with section 56 of the *Payment Times Reporting Act 2020* (the PTR Act). Section 56 requires the Payment Times Reporting Regulator (the regulator) to publish a report on the operation of the PTR Act and include it in Treasury's annual report.

Long and late payment times can have significant negative impacts on small business, placing pressure on cash flow, hindering their ability to plan and grow, employ staff and, in some cases, increasing reliance on short-term finance. Moving money through the system faster supports small business sustainability and growth, while delivering benefits to the Australian economy.

Under the Payment Times Reporting Scheme, large businesses and some government enterprises (collectively known as 'reporting entities') must submit a payment times report to the regulator every 6 months. These reports contain information on how reporting entities pay their small business suppliers. This includes common payment terms, actual payment performance, the proportion of their procurement with small business, and the use of supply chain financing arrangements.

The regulator publishes payment times reports submitted by reporting entities on the Payment Times Reports Register. This information is publicly available at paymenttimes.gov.au. The Payment Times Reporting Scheme aims to increase transparency to:

- improve payment times for small businesses
- support small businesses to make more informed decisions about potential customers
- create incentives for reporting entities to improve their payment terms and practices.

Regulatory reforms

In response to the 2023 Statutory Review recommendations of the PTR Act, the Payment Times Reporting Scheme was significantly overhauled and enhanced. The *Payment Times Reporting Amendment Act 2024* commenced on 7 September 2024 and made significant changes to the PTR Act. The Payment Times Reporting Rules 2024, which support the operation of the PTR Act, commenced on 13 September 2024.

The reforms strengthened regulatory powers and increased transparency. They provided the regulator with the appropriate tools and powers to deliver better payment outcomes for small businesses. Regulatory burden for reporting entities also reduced through streamlined reporting requirements and processes.

Throughout 2025–26 the regulator continued to implement capability to administer the reforms. In February 2026, the regulator launched:

- a new Payment Times Reporting Portal with advanced features to support accurate and consistent reporting, and improved performance for a more efficient, secure and user-friendly experience.
- the Fast Small Business Payers List on the enhanced interactive Payment Times Reports Register. The list recognises large businesses that lead by example in consistently paying small business suppliers within 20 days.
- The regulator will continue to refine systems, guided by user feedback and stakeholder experience.

The Payment Times Reporting Regulator

The PTR Act and its administration by the regulator provide the regulatory framework to improve payment times for small businesses. This involves fostering a culture of prompt payment practices and making the payment times and practices of reporting entities transparent in respect of their small business suppliers.

The regulator's core functions are to:

- provide tools and resources for reporting entities to submit payment times reports twice a year and to publish the reports on the publicly available Payment Times Reports Register
- provide tools and resources that enhance transparency by making Register data available
  - » in a format that is easy for small business suppliers to access and use for planning and decision making, and
  - » to support initiatives that incentivise improvements to payment times to small business
- conduct research and publish reports and analysis on the payment terms, times, and practices of reporting entities
- monitor compliance with the PTR Act to identify and address non-compliance by using its legislative powers.

In the Regulator's Update for January 2026, the regulator highlighted the Payment Times Reporting Scheme's role in fostering a culture of fair payment practices that benefits Australia's economy. The regulator emphasised that reporting entities have an opportunity to set the standard for fair payment practices and demonstrate leadership in supporting small businesses. The regulator also announced the launch of the Fast Small Business Payer List and congratulated those entities recognised on the list for their commitment to faster payments to Australian small businesses.

In June 2026, the Australian Government issued an updated Statement of Expectations to the regulator outlining expectations for how the regulator will achieve its objectives, carry out its new functions and exercise its powers. In response, the regulator issued a Statement of Intent, which provided a roadmap for the delivery of the regulator's functions and reinforced its commitment to integrity, professionalism and best practice regulation.

Operation of the Payment Times Reporting Scheme

A 'reporting entity' is the highest-level entity within a corporate group that satisfies all criteria set out in section 7 of the PTR Act, including having consolidated revenue exceeding $100 million in the previous financial year.

A 'reporting entity' under the reformed Scheme must submit a consolidated payment times report consistent with the principles of consolidation in the Australian Accounting Standards Board standards. This report must include the payment data of the reporting entity and its controlled entities, including foreign entities and those that are not constitutionally covered entities, or have annual revenue under $10 million.

The Payment Times Reporting Scheme's website at paymenttimes.gov.au provides information to help reporting entities meet their obligations and understand how the regulator administers the PTR Act.

In the 2025–26 financial year, reporting entities submitted 9,130 payment times reports, including revised reports, under both the previous and new legislative frameworks.

In the same period, the regulator received and processed:

- 388 applications for a short extension of time
- 30 applications for a modifiable extension of time
- 24 applications for a determination to be a subsidiary reporting entity
- 2 applications to be a volunteering entity
- 10 applications to be exempt from reporting
- zero applications for reconsideration of a reviewable decision.

Payment Times Reports Register

The interactive Register provides users with better access to reported payment times data. The Register refreshes daily to reflect new payment times reports, notices and applications submitted by reporting entities, as well as the list of Fast Small Business Payers and compliance notices published by the regulator. The regulator also publishes a downloadable Register Excel dataset. Between 1 July 2025 and 30 June 2026, this dataset updated 12 times.

The regulator continued to improve the Register's functions. Users now benefit from better visualisation of payment times information, and the enhanced search functions to help find registered business names. These improvements increase transparency of large businesses' payment practices. They also provide users with more information to compare payment performance within and across industries.

Stakeholder engagement

Stakeholder engagement remained high over the 12 months to 30 June 2026. Attendance at the regulator's liaison forums in 2025–26 was significantly higher than in 2024–25. Attendance peaked in August 2025, followed by a decline in March 2026. On average, stakeholder attendance increased by over 130 per cent and the number of organisations represented increased by over 180 per cent compared with 2024–25.

The regulator engages with stakeholders to deliver better payment outcomes for small business suppliers and support economic growth. In 2025–26, the regulator engaged with and supported stakeholders in several ways:

- released Regulator's Updates in July 2025 and January 2026. Updates are published on paymenttimes.gov.au
- held stakeholder liaison forums in August 2025 and March 2026, which provided reporting entities with an opportunity to engage directly with the regulator
- published webinars, user guides and a demonstration video to support the February 2026 launch of the Payment Times Reporting Portal
- introduced a Regulator's Newsletter to support reporting entities transitioning to the new Payment Times Reporting Portal and provide information and reminders to reporting entities and stakeholders
- made ongoing enhancements to paymenttimes.gov.au to support the transition to an online-first support model
- responded in a timely manner to 4,567 email enquiries about the reforms and new reporting requirements.

Payment times compliance and enforcement

The regulator actively monitors and enforces compliance with the Scheme. In July 2025 it published its 2025–26 Compliance and Enforcement Priorities. This document outlined the regulator's compliance focus for the year. It also included the regulator's escalating and risk-based approach to compliance. This begins with education and guidance to optimise voluntary compliance, and ends with applying enforcement powers for cases of persistent and deliberate non-compliance.

The regulator has enforcement tools to respond to non-compliance with the Scheme. These tools allow for proportionate and targeted action, depending on the severity and nature of each case. They include:

- undertaking monitoring or investigation activities under the *Regulatory Powers (Standard Provisions) Act 2014*
- issuing information gathering notices
- requiring a reporting entity to undergo a compliance audit
- publishing non-compliance on the Register
- issuing infringement notices
- entering enforceable undertakings
- commencing proceedings to impose civil penalties.

Compliance activities

Between 1 July 2025 and 30 June 2026, officers conducted compliance activities focusing on:

- entities that had not previously registered for the Payment Times Reporting Scheme
- registered entities that failed to report for one or more reporting periods under the previous legislative framework
- entities that submitted reports that were potentially false or misleading.

In 2025–26, the regulator published 72 *failure to comply* notices for 20 entities that failed to comply with their obligations under the PTR Act. The regulator also published on the Register details of 9 paid infringement notices given to 9 entities for failure to give a payment times report within the required timeframe. The infringement notices were paid during the financial year, with a total value of $891,000.

Australian Small Business and Family Enterprise Ombudsman

Australia's 2.7 million small and family businesses are critical to the economy and their local communities. The mission of the Australian Small Business and Family Enterprise Ombudsman (ASBFEO) is to help Australia be the best place to start, grow and transform those businesses.

The Ombudsman, Ms Lynda McAlary-Smith, is an independent, statutorily appointed public office holder. ASBFEO's activities are governed by the *Australian Small Business and Family Enterprise Ombudsman Act 2015* (the ASBFEO Act). Under the ASBFEO Act, ASBFEO delivers its functions for small businesses and family enterprises defined as businesses with fewer than 100 employees or revenue of less than $5 million per year.

ASBFEO operates to:

- assist with dispute resolution and resource access for small and family businesses
- advocate for policy development, regulatory design and the business support system
- inform small and family businesses about 'better practice' guidance, support tools and helpful resources.

ASBFEO's departmental budget for the 2025–26 financial year was $6,242 million and was funded for an average staffing level of 27.9. The Department of the Treasury provides a wide range of corporate and enabling service support. ASBFEO also receives a specific annual appropriation of $663,000 to support the delivery of the Tax Concierge Service and a subsidised legal support service for eligible small businesses.

ASBFEO acts as a trusted and credible adviser and advocate to government, the Parliament and regulators, drawing on significant and unique expertise to identify issues affecting small business and family enterprises. Policy and program designers value ASBFEO's in-depth insights, real time evidence and deep stakeholder engagement across the country.

ASBFEO's economics and data analytics team conducts surveys and draws together public and private sector data to produce tailored and accessible information.

In 2025–26, ASBFEO received and responded to 8,623 requests for assistance by providing:

- guidance from officers on our dedicated contact centre hotline
- personalised case management
- tools to help people start and grow a business and make better business decisions
- access to mental health support
- referral to appropriate agencies that can help.

ASBFEO responds to requests for help from small and family businesses while ensuring it does not duplicate the functions of other Commonwealth, state or territory agencies, offering triage-style services when appropriate. Where small and family businesses reach out in need, ASBFEO helps connect them to the right agency or other support to resolve issues that arise. ASBFEO works cooperatively with government agencies to promote alternative dispute resolution processes.

ASBFEO builds connections across business, industry and government including by leading and supporting the following events, groups and networks:

- the Ombudsman established the ASBFEO Policy Network of small and family business-facing industry and professional associations to share information on policy consultations and convene discussions with ministers and senior government officials
- the Ombudsman chairs the Federal Regulatory Agency Group, which meets quarterly and comprises Commonwealth-level regulators including the Australian Competition and Consumer Commission, Australian Securities and Investments Commission, Australian Taxation Office, Australian Financial Complaints Authority, Australian Financial Security Authority, Fair Work Ombudsman and Treasury
- the Ombudsman hosts regular meetings of state-based Small Business Commissioners to collaborate, share information and insights, identify best practice and provide a united voice of influence for small businesses.

ASBFEO communicates with small businesses and family enterprises through targeted activities, multi-disciplinary communication channels and networks. This includes social media, stakeholder engagement, media, newsletters, digital media, products and events.

ASBFEO also operates a sponsorship and outreach program. This program connects directly with small businesses and family enterprises and their trusted advisers at events including expos, summits, sector-specific events and other small business celebration events (for example, Small Business months across jurisdictions).

In 2025–26, ASBFEO added new cases studies, content and updated guidance materials on its website. Topics included information on starting a business, building and maintaining constructive business relationships, and assistance with default credit listings, disputes with overseas businesses, courts and tribunals and free or low-cost legal advice, and updated the using social media securely and cyber security resources.

ASBFEO also released comprehensive guidance material on franchising, targeted at current and prospective franchisees and franchisors and their trusted advisers. These franchising resources were one of the recommendations of Dr Michael Shaper's 2024 Review of the Franchising Code of Conduct and were developed with industry engagement.

ASBFEO is committed to continuing to improve the user experience of people accessing and using its website to find the information when and where it is needed. As part of this commitment, ASBFEO upgraded its website to the latest content management system, while making a range of enhancements to the website, to meet its WCAG 2.2 and Digital Service Standard compliance and accessibility requirements.

Advocacy

ASBFEO conducted a broad range of advocacy activities in 2025–26, and provided quarterly updates to the Minister about operations of the Ombudsman's Office and relevant legislation, policies and practices affecting small business (available at asbfeo.gov.au).

ASBFEO made 62 submissions to government and Parliamentary consultations, advocating for proportionate, risk-based regulation with policy development that is informed by the small business experience and requirements that account for their administrative capacities and operating realities. Submissions were made across a wide range of topics, including small business insurance, scam prevention and unfair trading practices, card surcharging and payments, workplace health and safety, tax administration, productivity and workplace relations. In May 2026, ASBFEO appeared as a witness at Parliamentary Committee hearings into skilled migration, the national employment standards and illicit tobacco.

In October 2025, ASBFEO commenced a review into white tape following a request for advice from the Minister for Small Business. 'White tape' refers to regulatory burden-shifting where large organisations transfer compliance and administrative responsibilities onto small businesses within business-to-business relationships, and ASBFEO was asked to assess its prevalence and impact on small business. ASBFEO gathered examples of white tape across a range of sectors, including in relation to modern slavery reporting, climate-related disclosure reporting, procurement policies, insurance and accreditation requirements, and the use of third-party compliance platforms, and will report to the Minister in September 2026.

ASBFEO continued to advocate through proactive engagement, gathering insights from stakeholders across the small business ecosystem and meeting with Commonwealth policymakers and regulators.

In late 2025, ASBFEO hosted 2 regulatory reform roundtables involving its policy network members, the Minister for Small Business and senior officials from the Productivity Commission, Department of Finance and Office of Impact Analysis. ASBFEO hosted quarterly meetings of the Federal Regulatory Agency Group and had regular discussions with the ATO, ASIC, ACCC and AFSA, providing valuable insights on how the regulators engage with small business. ASBFEO also met with a number of small businesses and industry peaks, and leveraged the state Small Business Commissioner network, to gather insights on the impact of high fuel prices which it shared with Treasury, and engaged with Commonwealth officials in the early stages of some policy development processes to help inform policy design, a strategy which ASBFEO is looking to expand over the coming period.

Assistance

The Ombudsman received 8,623 requests for assistance in 2025–26. These comprised 6,309 calls to the Ombudsman's contact centre and 2,314 formal requests for assistance in accordance with the ASBFEO Act. No formal requests for assistance about 'no adverse cost' orders were received.

The Ombudsman provided one-to-one assistance to small and family businesses in 2,314 new disputes with other businesses or Australian Government agencies in 2025–26. Of these, 40 per cent were disputes with digital platforms or other digital services providers. In many cases, small business accounts were disabled and they were unable to access any effective internal resolution support with the platforms.

Consistent with previous years, in addition to digital platform disputes the other most common types of disputes in 2025–26 were payment disputes (31 per cent), the Franchising Code of Conduct (10 per cent) and contract disputes (9 per cent). The Ombudsman referred 70 cases to alternative dispute resolution, including 64 under the franchising code. This includes cases received in previous financial years.

The Ombudsman finalised 2,018 cases including 78 per cent of all cases received in 2025–26. The Ombudsman referred 322 cases (14 per cent of all cases received in 2025–26) to small business commissioners in the states and territories (Table 67). A further 18 cases were referred to Commonwealth and other agencies.

Thirty-nine disputes were partially or fully resolved following the Ombudsman's referral to an alternative dispute resolution process in 2025–26. The Ombudsman worked closely with Commonwealth, state and territory agencies, but did not require entry into any formal cooperative arrangements.

Table 67: Outcome of new disputes with a dedicated ASBFEO case manager during 2025–26

Resolution	Count	Percentage of total
Referral to more appropriate agency:		
• referred to state small business commissioners	322	14.0%
• referred to other appropriate agency (for example, Australian Financial Complaints Authority, Fair Work Ombudsman)	18	1.0%
Resolved by Ombudsman contact with one or more party	1,422	61.0%
Referred to alternative dispute resolution (including under the Franchising, Horticulture, Oil and Dairy Codes)	43	2.0%
Referred to Small Business Tax Concierge lawyer	8	0.3%
Cases currently in progress with Ombudsman	501	22.0%
Total cases received by ASBFEO requiring dedicated case management	**2,314**	**100.0%**

Note: This table is accurate at date of compilation. The Ombudsman takes great care to ensure the quality and reliability of data, sourced from a case management system that is constantly updated. Percentages may not sum to 100% due to rounding.

In 2025–26, the Ombudsman's expanded subsidised legal support service was offered 89 times to eligible small businesses with well over half of the offers accepted. The expanded service uses existing funding and extends the types of cases eligible for support beyond disputes over negative decisions by the Australian Commissioner of Taxation to broader commercial and industry code matters. An open tender process was under assessment at the end of June 2026, which will update the panel of legal practitioners. Once established, the Deeds of Standing Offer will be available for use by other Commonwealth agencies, should they wish to offer legal support to small businesses in the future, providing a streamlined mechanism for other agencies to support small businesses.

Independent Review of the Australian Small Business and Family Enterprise Ombudsman

On 13 November 2024, the Australian Government announced the appointment of Ms Judy O'Connell as the independent reviewer for a Statutory Review considering whether ASBFEO's functions and operations were effective, efficient and aligned with the needs of the small business community. Ms O'Connell's final report was tabled in Parliament on 2 September 2025.

Ms O'Connell made 15 recommendations and 3 additional observations. These recommendations and observations are shaping the way in which ABSFEO undertakes its work, noting however that some of the recommendations would require legislative change.

Report on the activities of the Data Standards Chair

Dr Ian Opperman was appointed as the Data Standards Chair for both the Digital ID and the Consumer Data Right (CDR) programs in March 2025. Dr Oppermann's term concluded in December 2025 following his appointment as a Commissioner of the Australian Competition and Consumer Commission. Dr Scott Farrell was appointed Data Standards Chair on 10 December 2025.

Section 56FP of the *Competition and Consumer Act 2010* requires Treasury to include information about the Data Standards Chair's performance, and the exercise of their powers, with regard to the CDR in the Treasury annual report.[29]

The Data Standards Body of the Treasury assists the Data Standards Chair. The Chair supports the CDR and Digital ID programs by making Data Standards.

The CDR aims to empower consumers, drive innovation and increase competition. It puts individuals and businesses in control of data held about them, enabling them to share that data safely and make more informed decisions. It has a multi-agency delivery model involving Treasury, the Australian Competition and Consumer Commission and the Office of the Australian Information Commissioner.

The Chair issued 3 iterations of the CDR Data Standards in 2025–26. Major milestones included standards releases to support the consent review and authentication uplift, and standards to support the designation of the non-bank lending sector. Cross-sectoral guidance and support for industry implementation also occurred during 2025–26.

The Data Standards Advisory Committee met 6 times in 2025–26. It will transition to a revised operating model for 2026–27.

The Chair worked with government, regulators and industry to continuously improve the process for developing data standards to ensure they support a secure, interoperable and trusted CDR ecosystem. In April 2026, the Data Standards Body released a consultation paper on reforms to regulatory data standards development, proposing changes to improve the design, consultation, publication and implementation of standards. The consultation closed on 30 May 2026, with an outcomes paper to be released in due course.

The Chair notes his appreciation of those engaged in the standards development process, who volunteer their time and expertise.

29 The Chair's performance with regard to the Digital ID program is included in the Department of Finance's annual report, as the Department of Finance is responsible for administering the *Digital ID Act 2024*.

National Interest Framework

Treasury is responsible for Part 2 and section 13 of the *Future Made in Australia Act 2024*, which established the National Interest Framework. In 2025–26, Treasury continued to strengthen the analytical tools and capability underpinning the sector assessment function established by the Act.

Australian National Contact Point for Responsible Business Conduct

The Australian National Contact Point for Responsible Business Conduct (AusNCP) promotes awareness and uptake of the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct (OECD Guidelines). The AusNCP engages with business, government, civil society, union and academic stakeholders. It also provides a dispute resolution service through a non-judicial OECD mechanism to help resolve complaints concerning multinational enterprises under the OECD Guidelines.

Treasury engaged independent examiners to assess AusNCP complaints, facilitate dispute resolution where appropriate, and make recommendations through public statements. Treasury also provided secretariat support, conducted promotional activities and contributed to policy development. The AusNCP function was supported by a Governance and Advisory Board, comprising representatives from government, civil society, business and unions, which met twice in 2025–26.

In 2025–26, the AusNCP supported 11 events, including hosting an event on 11 June 2026 with representatives from government, business, academia and civil society to mark 50 years of the OECD's responsible business conduct standards for multinational enterprises. The AusNCP also worked with government and non-government stakeholders to promote responsible business conduct through their networks and social media channels.

The AusNCP managed 15 complaints in 2025–26. As at 30 June 2026:

- 6 complaints had been closed after final statements were published
- one complaint had been closed following the publication of a follow up statement
- 3 complaints were undergoing an initial assessment to determine whether they should be accepted, rejected or transferred
- 2 complaints were in AusNCP-facilitated dispute resolution
- one complaint had been transferred to another National Contact Point in the OECD network
- one complaint was at the final statement phase following a withdrawal
- one complaint was undergoing a follow up process.

The AusNCP reports annually to the OECD, and complaint statements are available at ausncp.gov.au.

Information correcting the record

There are no corrections to the information provided in the Treasury Annual Report 2024–25.

Aids to access

Abbreviations and acronyms

Short form	Full term
ABCB	Australian Building Codes Board
ACCC	Australian Competition and Consumer Commission
ACE	Australian Centre for Evaluation
ANAO	Australian National Audit Office
APS	Australian Public Service
ASBFEO	Australian Small Business and Family Enterprise Ombudsman
ATO	Australian Taxation Office
CDR	Consumer Data Right
CTAP	Crisis and Transitional Accommodation Program
DFAT	Department of Foreign Affairs and Trade
EL	Executive Level
FIRB	Foreign Investment Review Board
FTP	Financial Transactions Plan
G20	The Group of Twenty
GDP	Gross domestic product
GST	Goods and Services Tax
IBRD	International Bank for Reconstruction and Development
ICSID	International Centre for Settlement of Investment Disputes
IDA	International Development Association
IFC	International Finance Corporation
IMF	International Monetary Fund
MIGA	Multilateral Investment Guarantee Agency
MP	Member of Parliament
OECD	Organisation for Economic Co-operation and Development
PBS	Portfolio Budget Statements
PGPA Act	*Public Governance, Performance and Accountability Act 2013*
PGPA Rule	Public Governance, Performance and Accountability Rule 2014
PRGT	Poverty Reduction and Growth Trust
PSM	Public Service Medal
RBA	Reserve Bank of Australia
Safe Places	Safe Places Emergency Accommodation Program
SES	Senior Executive Service
SDR	Special Drawing Rights
SME	Small and medium-sized enterprise
The Ombudsman	Australian Small Business and Family Enterprise Ombudsman
WHS	Work Health and Safety
WRC	Workplace Relations Committee

Glossary

Term	Description
Administered item	Items that are usually managed by an entity on behalf of the government. Entities do not have control over these items which are normally related to activities governed by eligibility rules and conditions established by legislation (for example, grants, subsidies and benefit payments).
Annual performance statements	Commonwealth entities report, through their annual performance statements, on the extent to which they have fulfilled the purposes they articulate at the beginning of a reporting year in their corporate plan. They must also report on performance criteria in the portfolio budget statements, portfolio additional estimates statements or other portfolio estimates statements.
Appropriation	Public monies the Parliament authorises the government to withdraw from the Consolidated Revenue Fund for a specified purpose.
APS employee	A person engaged under section 22, or a person who is engaged as an Australian Public Service employee under section 72, of the *Public Service Act 1999*.
Budget	Sets out the fiscal and economic outlook for Australia, including expenditure and revenue estimates for the current financial year, the budget year and 3 forward financial years. It identifies the government's social and political priorities and how they will be achieved.
Clear read principle	It is important to maintain a clear read between the Portfolio Budget Statements, an entity's corporate plan, and an entity's annual report. Information should be consistent across these and other budget documents, and, where possible, avoid duplication of reporting. To help readers to form a judgement, reporting by entities should provide a clear read between the allocation and use of public resources, and the results being achieved through activities undertaken with these resources. More information is available at www.finance.gov.au/government/managing-commonwealth-resources/reporting-performance-information-portfolio-budget-statements-rmg-129/clear-read-between-pbs-and-corporate-plan.
Consolidated Revenue Fund	The Consolidated Revenue Fund consists of all revenues and moneys raised or received by the executive government of the Commonwealth. The fund is self-executing in nature, which means that all money received by the Commonwealth automatically forms part of the fund.
Consultant	A person or organisation providing professional, independent, expert advice or services. The term is used to describe the application of expert skills to investigate or diagnose a defined issue or problem; carry out defined research, reviews or evaluations; or provide independent advice, information or creative solutions to assist an entity in management decision-making.
Contractor	A person engaged by an agency, usually on a temporary basis. Treated as an employee of the agency for the purposes of program performance reporting.

Term	Description
Corporate plan	The primary planning document of a Commonwealth entity that sets out the objectives and strategies the entity intends to pursue in achieving its purposes over at least 4 reporting periods. A corporate plan explains: • what an entity's purposes are • what it will do to achieve its purposes • how it will know that it has achieved its purposes.
Departmental item	Departmental items are usually appropriations managed by an entity, and over which the entity has control. That is, the entity's accountable authority has discretion in delivering the activities and/or allocating resources. Typically, these items include the day-to-day operations and program support activities of an entity.
Enterprise agreement	An employment agreement made directly between an employer and employees.
Finance law	Refers to: • The *PGPA Act 2013*; or • rules issued under the *PGPA Act 2013*; or • any instrument made under the PGPA Act; or • an Appropriation Act.
Fraud	Dishonestly obtaining a benefit, or causing a loss, by deception or other means. Accountable authorities of Commonwealth entities must take all reasonable measures to prevent, detect and deal with fraud in accordance with section 10 of the Public Governance, Performance and Accountability Rule 2014.
Full-time equivalent	The effective number of full-time employees in an entity, where an FTE of 1.0 is the equivalent of one full-time person. Part-time employees are converted to full-time equivalents.
Grant	The Department of Finance describes a grant as an arrangement for the provision of financial assistance by the Commonwealth or on behalf of the Commonwealth: • under which relevant money or other Consolidated Revenue Fund money is to be paid to a recipient other than the Commonwealth, and • is intended to help address one or more of the Australian Government's policy outcomes while assisting the grantee achieve its objectives. More information is available at www.finance.gov.au/government/commonwealth-grants.
Mid-Year Economic and Fiscal Outlook	The Mid-Year Economic and Fiscal Outlook (MYEFO) updates of the government's budget estimates. It examines expenses and revenues in the year to date, as well as provisions for new decisions that have been taken since the Budget. The report provides updated information to allow the assessment of the government's fiscal performance against the fiscal strategy.
Non-ongoing APS employee	A person engaged as an Australian Public Service employee under subsection 22(2)(a) of the *Public Service Act 1999*.

Term	Description
Official Public Account	The Commonwealth's central bank account. The Official Public Account is one of a group of linked bank accounts, referred to as the Official Public Account Group of Accounts. The Reserve Bank of Australia maintains the Official Public Accounts.
Ongoing APS employee	A person engaged as an ongoing Australian Public Service employee under section 22(2) (a) of the *Public Service Act 1999*.
Portfolio Budget Statements	The Portfolio Budget Statements inform parliamentarians and the public of the proposed allocation of resources to government outcomes. They also assist the Senate standing committees with their examination of the government's budget. Portfolio Budget Statements are tabled in Parliament on Budget Night and published as budget related papers.
Public Governance, Performance and Accountability Act 2013	As the primary piece of Commonwealth resource management legislation, the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)* establishes a coherent system of governance and accountability for public resources, with an emphasis on planning, performance and reporting. The PGPA Act applies to all Commonwealth entities and Commonwealth companies. A list of Commonwealth entities and companies is available at finance.gov.au/government/managing-commonwealth-resources/structure-australian-government-public-sector/pgpa-act-flipchart-and-list.
Risk management	The systematic application of policies, procedures and practices to clearly identify, analyse, evaluate, treat and monitor risks associated with identified opportunities. Risk is broadly defined as the effect of uncertainty on objectives or the impacts of unforeseen events or undesirable outcomes.
Specific Purpose Payments	Commonwealth payments to the states for specific purposes to pursue important national policy objectives in areas that may be administered by the states.

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List of requirements

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
17AD(g)	**Letter of transmittal**			
17AI	Letter of transmittal	iii	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory
17AD(h)	**Aids to access**			
17AJ(a)	Table of contents	v–vi	Table of contents.	Mandatory
17AJ(b)	Index	286–289	Alphabetical index.	Mandatory
17AJ(c)	Abbreviations and acronyms Glossary	265–268	Glossary of abbreviations and acronyms.	Mandatory
17AJ(d)	List of requirements	274–285	List of requirements.	Mandatory
17AJ(e)	Introduction and guide to the report	vii	Details of contact officer.	Mandatory
17AJ(f)	Introduction and guide to the report	vii	Entity's website address.	Mandatory
17AJ(g)	Introduction and guide to the report	vii	Electronic address of report.	Mandatory
17AD(a)	**Review by accountable authority**			
17AD(a)	Secretary's review	1–5	A review by the accountable authority of the entity.	Mandatory
17AD(b)	**Overview of the entity**			
17AE(1)(a)(i)	Departmental overview	6–7	A description of the role and functions of the entity.	Mandatory
17AE(1)(a)(ii)	Departmental overview	8–10	A description of the organisational structure of the entity.	Mandatory

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
17AE(1)(a)(iii)	Departmental overview	14	A description of the outcomes and programmes administered by the entity.	Mandatory
17AE(1)(a)(iv)	Departmental overview	6	A description of the purposes of the entity as included in corporate plan.	Mandatory
17AE(1)(aa)(i)	Departmental overview	8	Name of the accountable authority or each member of the accountable authority.	Mandatory
17AE(1)(aa)(ii)	Departmental overview	8	Position title of the accountable authority or each member of the accountable authority.	Mandatory
17AE(1)(aa)(iii)	Departmental overview	8	Period as the accountable authority or member of the accountable authority within the reporting period.	Mandatory
17AE(1)(b)	Portfolio overview	14	An outline of the structure of the portfolio of the entity.	Portfolio departments - mandatory
17AE(2)	N/A	N/A	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, mandatory
17AD(c)	**Report on the Performance of the entity**			
17AD(c)(i); 16F	Annual performance statements	15–77	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory
17AD(c)(ii)	**Report on Financial Performance**			
17AF(1)(a)	Financial performance	78	A discussion and analysis of the entity's financial performance.	Mandatory
17AF(1)(b)	Resource tables	79–83	A table summarising the total resources and total payments of the entity.	Mandatory

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
17AF(2)	Resource tables	79–83	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, mandatory
17AD(d)	**Management and Accountability**			
17AG(2)(a)	Corporate governance	90	Information on compliance with section 10 (fraud systems).	Mandatory
17AG(2)(b)(i)	Letter of transmittal	iii	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory
17AG(2)(b)(ii)	Letter of transmittal	iii	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating, or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory
17AG(2)(b)(iii)	Letter of transmittal	iii	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory
17AG(2)(c)	Corporate governance	85–91	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
17AG(2)(d) – (e)	Corporate governance	91	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with Finance law and action taken to remedy non-compliance.	If applicable, mandatory
	Audit Committee			
17AG(2A)(a)	Corporate governance	87	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory
17AG(2A)(b)	Corporate governance	88–89	The name of each member of the entity's audit committee.	Mandatory
17AG(2A)(c)	Corporate governance	88–89	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory
17AG(2A)(d)	Corporate governance	88–89	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory
17AG(2A)(e)	Corporate governance	88–89	The remuneration of each member of the entity's audit committee.	Mandatory
	External Scrutiny			
17AG(3)	External scrutiny	92–96	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory
17AG(3)(a)	External scrutiny	92–93	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, mandatory

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
17AG(3)(b)	External scrutiny	93	Information on any reports on operations of the entity by the Auditor-General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, mandatory
17AG(3)(c)	External scrutiny	N/a	Information on any capability reviews on the entity that were released during the period.	If applicable, mandatory
	Management of Human Resources			
17AG(4)(a)	Our people	97–99	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory
17AG(4)(aa)	Our people	99–112	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: a) statistics on full-time employees b) statistics on part-time employees c) statistics on gender d) statistics on staff location.	Mandatory
17AG(4)(b)	Our people	99–112	Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following: • Statistics on staffing classification level • Statistics on full-time employees • Statistics on part-time employees • Statistics on gender • Statistics on staff location • Statistics on employees who identify as Indigenous.	Mandatory

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
17AG(4)(c)	Our people	111–112	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the *Public Service Act 1999*.	Mandatory
17AG(4)(c)(i)	Our people	111–112	Information on the number of SES and non-SES employees covered by agreements etc identified in paragraph 17AG(4)(c).	Mandatory
17AG(4)(c)(ii)	Our people	111–112	The salary ranges available for APS employees by classification level.	Mandatory
17AG(4)(c)(iii)	Our people	111–112	A description of non-salary benefits provided to employees.	Mandatory
17AG(4)(d)(i)	Our people	N/a	Information on the number of employees at each classification level who received performance pay.	If applicable, mandatory
17AG(4)(d)(ii)	Our people	N/a	Information on aggregate amounts of performance pay at each classification level.	If applicable, mandatory
17AG(4)(d)(iii)	Our people	N/a	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, mandatory
17AG(4)(d)(iv)	Our people	N/a	Information on aggregate amount of performance payments.	If applicable, mandatory
	Assets management			
17AG(5)	Assets management	117	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities.	If applicable, mandatory

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
	Purchasing			
17AG(6)	Procurement	113–114	An assessment of entity performance against the Commonwealth Procurement Rules.	Mandatory
	Reportable consultancy contracts			
17AG(7)(a)	Consultants and non-consultants	115–116	A summary statement detailing the number of new contracts engaging consultants entered into during the period; the total actual expenditure on all new consultancy contracts entered into during the period (including GST); the number of ongoing reportable consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting year on the ongoing consultancy contracts (including GST).	Mandatory
17AG(7)(b)	Consultants and non-consultants	115–116	A statement that *'During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of $[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of $[specified million]'.*	Mandatory
17AG(7)(c)	Consultants and non-consultants	115–116	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
17AG(7)(d)	Consultants and non-consultants	115–116	A statement that *'Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.'*	Mandatory
	Reportable non-consultancy contracts			
17AG(7A)(a)	Consultants and non-consultants	115–116	A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (including GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (including GST).	Mandatory
17AG(7A)(b)	Consultants and non-consultants	115–116	A statement that *'Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.'*	Mandatory
17AD(daa)	**Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts**			
17AGA	Consultants and non-consultants	115–116	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
	Australian National Audit Office Access Clauses			
17AG(8)	Procurement	113	If an entity entered into a contract with a value of more than $100,000 (including GST) and the contract did not provide the Auditor-General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, mandatory
	Exempt contracts			
17AG(9)	Procurement	113	If an entity entered into a contract or there is a standing offer with a value greater than $10 000 (including GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, mandatory
	Small business			
17AG(10)(a)	Procurement	114	A statement that *'[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website.'*	Mandatory

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
17AG(10)(b)	Procurement	114	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory
17AG(10)(c)	Procurement	114	If the entity is considered by the Department administered by the Finance Minister as material in nature – a statement that *'[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website.'*	If applicable, mandatory
	Financial statements			
17AD(e)	Financial statements	123–205	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory
	Executive remuneration			
17AD(da)	Executive remuneration	117–122	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2-3 of the Rule.	Mandatory
17AD(f)	**Other mandatory information**			
17AH(1)(a)(i)	Advertising and market research	213–214	If the entity conducted advertising campaigns, a statement that *'During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity's website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance's website.'*	If applicable, mandatory

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
17AH(1)(a)(ii)	Advertising and market research	213–214	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, mandatory
17AH(1)(b)	Grants	117	A statement that *'Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity's website].'*	If applicable, mandatory
17AH(1)(c)	Disability reporting	217	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory
17AH(1)(d)	Information Publication Scheme	96	Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory
17AH(1)(e)	Information correcting the record	264	Correction of material errors in previous annual report.	If applicable, mandatory

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
17AH(2)	Advertising and market research	213–214	Information required by other legislation. Information required by other Acts or instruments to be included in the annual report must be included in one or more appendices to the report. For Treasury, for reporting period 2025–26, this covers: • *Commonwealth Electoral Act 1918* • *Freedom of Information Act 1982* • *Work Health and Safety Act 2011* • *Environment Protection and Biodiversity Conservation Act 1999* • *International Monetary Agreements Act 1947* • *International Bank for Reconstruction and Development (General Capital Increase) Act 1989* • *Payment Times Reporting Act 2020* • *Australian Small Business and Family Enterprise Ombudsman Act 2015* • *Competition and Consumer Act 2010* • *Future Made in Australia Act 2024*	Mandatory
	Work health and safety	215–216		
	Environmental performance	219		
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