Audit report of the 2024–25 annual performance statements

Department of Defence

INDEPENDENT AUDITOR'S REPORT on the 2024-25 Annual Performance Statements of the Department of Defence

To the Minister for Finance

Conclusion

In my opinion the 2024-25 Annual Performance Statements of the Department of Defence (Defence):

- present fairly Defence's performance in achieving its purpose for the year ended 30 June 2025; and
- are prepared, in all material respects, in accordance with the requirements of Division 3 of Part 2-3 of the *Public Governance, Performance and Accountability Act 2013* (the PGPA Act).

Audit criteria

To assess whether Defence's annual performance statements complied with Division 3 of Part 2-3 of the PGPA Act, I applied the following criteria:

- whether the entity's key activities, performance measures and specified targets are appropriate to measure and assess the entity's performance in achieving its purposes.
- whether the performance statements are prepared based upon appropriate records that properly record and explain the entity's performance.
- whether the annual performance statements present fairly the entity's performance in achieving the entity's purposes in the reporting period.

Emphasis of Matter - Methodology of performance measure 6.1

I draw attention to the methodology used to calculate the results for the scope, schedule and cost targets of performance measure 6.1, under the Methodology and data sources heading. Understanding the methodology used to calculate the result is fundamental to interpreting Defence's assessment of performance for these targets.

My conclusion is not modified in respect of this matter.

Accountable Authority's responsibilities

As the Accountable Authority of Defence, the Secretary is responsible under the PGPA Act for:

- the preparation of annual performance statements that accurately present Defence's performance in the reporting period and comply with the requirements of the PGPA Act and any requirements prescribed by the *Public Governance, Performance and Accountability Rule 2014* (the Rule).

- keeping records about Defence's performance as required by the PGPA Act, and
- establishing internal controls that the Accountable Authority determines are appropriate to enable the preparation of annual performance statements.

Auditor's responsibilities for the audit of the performance statements

My responsibility is to conduct a reasonable assurance engagement to express an independent opinion on Defence's annual performance statements.

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which include the relevant Standard on Assurance Engagements (ASAE) 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Auditing and Assurance Standards Board.

Procedures were planned and performed to obtain reasonable assurance about whether the annual performance statements of the entity present fairly the entity's performance in achieving its purposes and comply, in all material respects, with the PGPA Act and Rule.

The nature, timing and extent of audit procedures depend on my judgment, including the assessment of the risks of material misstatement, whether due to fraud or error, in the annual performance statements. In making these risk assessments, I obtain an understanding of internal controls relevant to the preparation of the annual performance statements in order to design procedures that are appropriate in the circumstances.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Independence and quality control

I have complied with the independence and other relevant ethical requirements relating to assurance engagements, and applied Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements* in undertaking this assurance engagement.

Inherent limitations

Because of the inherent limitations of an assurance engagement, it is possible that fraud, error or non-compliance may occur and not be detected. An assurance engagement is not designed to detect all instances of non-compliance of the annual performance statements with the PGPA Act and the Rule as it is not performed continuously throughout the period and the assurance procedures performed are undertaken on a test basis. The reasonable assurance conclusion expressed in this report has been formed on the above basis.

Australian National Audit Office



Dr Caralee McLeish PSM
Auditor-General of Australia
Canberra
14 October 2025

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Image: Commanding Officer of the 2nd Cavalry Regiment, Lieutenant Colonel Josh Higgins (left), and Adjutant, Captain Ian Eagle, navigate an Australian Light Armoured Vehicle before commencing a live-fire serial in the Townsville Field Training Area during Exercise EAGLE MARCH.



Statement of preparation

As the accountable authority of the Department of Defence, I present Defence's annual performance statements for the 2024–25 reporting period, prepared for subsection 39(1) of the *Public Governance, Performance and Accountability Act 2013*. In my opinion, these annual performance statements accurately present Defence's performance for the 2024–25 reporting period, and comply with subsection 39(2) of the *Public Governance, Performance and Accountability Act 2013.*



Mr Greg Moriarty AO
Secretary
Department of Defence
10 October 2025

Defence's purpose and outcomes

Together the ADF and the Department of Defence are responsible for achieving Defence's mission: to defend Australia and its national interests in order to advance Australia's security and prosperity. At Defence, our purpose is our mission.

Defence has two outcome statements which describe what the Government requires Defence to achieve using the resources allocated through the Commonwealth budget process.

As set out in the *2024–28 Defence Corporate Plan* (updated in March 2025), Defence achieves its mission through its eight key activities:

- **Key activity 1:** Conduct operations and deployments to defend Australia and its national interests;
- **Key activity 2:** Defence is a strategy-led organisation. It supports operationalising and implementing the government-directed biennial National Defence Strategy;
- **Key activity 3:** Enable intelligence-informed decision-making;
- **Key activity 4:** Invest in Defence people;
- **Key activity 5:** Defence's international engagement – operational presence; support to regional security capability; people-to-people engagement; and bilateral and multilateral diplomatic engagement – support a strategy of denial in our primary area of military interest;
- **Key activity 6:** Deliver future capability;
- **Key activity 7:** Develop the sovereign defence industrial base required for our national security; and
- **Key activity 8:** Defence supports improved regulatory performance, capability and culture through regulatory stewardship in line with the government's commitment to Australian Public Service reform.

These 2024–25 Annual Performance Statements provide an assessment of performance against Defence's mission.

2024–25 Performance overview

In 2024–25, Defence assessed its performance against achieving its mission through 13 performance measures and 29 targets. The annual performance statements report on the period from 1 July 2024 to 30 June 2025.

The 2024–25 performance measures and performance results are detailed in the following table. For the 2024–25 reporting period:

- Performances measures 1.1, 1.2, 2.1, 4.1 and 5.2 were achieved;
- Performance measures 6.1, 7.1 and 8.1 were substantially achieved;
- Performance measures 4.2 and 4.4 were partially achieved;
- Performance measure 4.3 was not achieved; and
- Performance measures 3.1 and 5.1 did not have targets but established baselines for future reporting.

As there have been a number of changes to Defence's performance information since 2023–24, in many cases the performance results are not directly comparable between the two reporting periods. For this reason, the prior year results have been excluded from this section. Performance measures that were amended via the updated *2024–28 Defence Corporate Plan* are marked with an asterisk in the following table.

Performance measure	Intended performance	2024–25 Performance result
Performance measure 1.1* Defence maintains ready forces, plans and conducts operations, activities and investments as directed by Government to achieve Defence's strategic objectives.	≥80%	**Achieved**
Performance measure 1.2* Defence commits ADF and/or APS assistance to domestic crisis and emergency response, as directed by Government.	≥80%	**Achieved**
Performance measure 2.1* The National Defence Strategy is operationalised and monitored through alignment with enterprise planning.	100%	**Achieved**
Performance measure 3.1* Defence key stakeholder satisfaction of the alignment and impact of Defence Intelligence Enterprise intelligence assessments and products.	Not applicable	**Baseline established**
Performance measure 4.1 Defence recruits and retains an ADF and APS workforce to support the Defence mission.	Both targets achieved	**Achieved**
Performance measure 4.2 Defence grows the necessary skills and capabilities to enable the Defence mission.	Both targets achieved	**Partially achieved**
Performance measure 4.3 The Defence values and behaviours enable our people to deliver Australia's National Defence.	All three targets achieved	**Not achieved**
Performance measure 4.4 Defence supports ADF members and their families by providing access to support services and programs having regard to lifetime wellbeing.	All four targets achieved	**Partially achieved**
Performance measure 5.1* The ADF has a near persistent presence in Australia's immediate region.	Not applicable	**Baseline established**
Performance measure 5.2* Defence enhances Australia's relationships with the Government's priority Indo-Pacific and global partners.	≥80%	**Achieved**
Performance measure 6.1 Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the National Defence Strategy.	All three targets achieved	**Substantially achieved**
Performance measure 7.1* Defence strengthens the sovereign defence industrial base across critical industrial capabilities.	All six targets achieved	**Substantially achieved**
Performance measure 8.1 Defence improves regulatory performance and capability through the finalisation of export permit applications within benchmark timeframes and reduction of export permits to the United States and United Kingdom facilitated via the AUKUS licence-free environment.	Both targets achieved	**Substantially achieved**

Reading the annual performance statements

Defence used a four–tier rating system to determine the performance result for each performance measure and target against the ratings of achieved, substantially achieved, partially achieved and not achieved. For performance measures with more than one target, performance results for the targets have been included in the table for the relevant measure.

Due to the varied nature of Defence's performance measures, the assessment criteria are tailored to each performance measure and target. Where a performance measure has more than one target, the overall assessment criteria have been included in these annual performance statements, to demonstrate how overall performance results were calculated.

Unless otherwise specified in the relevant methodology section, performance measures with more than one target applied equal weighting to calculate the performance result.

Where possible, percentage values have been rounded to two decimal places. For some performance measures and/or targets, one decimal place has been used for consistency with the underlying supporting data.

Changes since the Portfolio Budget Statements 2024–25

Following the Portfolio Budget Statements 2024–25 published in May 2024, Defence made a number of amendments to its key activities, performance measures and targets. These amendments were reflected in the *2024–28 Defence Corporate Plan* first published in August 2024.

Due to a number of significant Government announcements and/or decisions which occurred after August 2024, Defence made further amendments to its key activities, performance measures and targets where the Government announcement and/or decision was assessed to be material for inclusion in Defence's 2024–25 performance information. These amendments were detailed in an updated *2024–28 Defence Corporate Plan* published in March 2025, inclusive of a new key activity (key activity 8) relating to Defence's regulatory function for the responsible movement of Defence-related goods (Defence Export Controls).

The performance measures and targets that were assessed for these annual performance statements are as published in the updated *2024–28 Defence Corporate Plan* (March 2025). Performance measures and targets which were updated in March 2025 are annotated accordingly throughout the annual performance statements.



Respond with credible military force when required

Image: Soldiers from the 1st Combat Engineer Regiment and 5th/7th Battalion, the Royal Australian Regiment carry out an objective clearance at the Mount Bundey training area, Northern Territory, during Exercise PREDATOR'S RUN 2025.

2024–25 Annual performance statements

Key activity 1:
Conduct operations and deployments to defend Australia and its national interests.

Performance measure 1.1
Defence maintains ready forces, plans and conducts operations, activities and investments as directed by Government to achieve Defence's strategic objectives.

Target 1.1a
Defence responds to Australian Government requirements and conducts operations as directed. This will change year on year.

Source
Portfolio Budget Statements 2024–25, Programs 1.1, 1.2, 1.3, 2.4, 2.5, 2.6, 2.7, 2.8, 2.12

2024–28 Defence Corporate Plan (March 2025), page 25[1]

Performance result
Achieved

(Operations, Achieved; Exercises, Achieved)

Analysis
Defence achieved its intended performance against this measure in 2024–25 by conducting operations as directed by the Australian Government and maintaining ready forces through the conduct of exercises (joint collective training activities).

Target 1.1a – Defence responds to Australian Government requirements and conducts operations as directed. This will change year on year
Defence's performance against this measure was validated through analysis of the conduct of operations, and the planning and conduct of exercises in 2024–25. Due to their inherently different purposes and objectives, operations (which achieve Government's direction through operations and deployments) and exercises (which replicate operational conditions to rehearse and test) have been separately assessed in 2024–25 for this performance measure. From 2025–26, operations and exercises will be reported under separate performance measures.

1 Performance measure 1.1 was amended via the *2024–28 Defence Corporate Plan* (March 2025 update).

Operations

During the reporting period, Defence effected Government direction through the implementation of the Theatre Campaign Plan[2] and the Theatre Campaign Order[3]. The Chief of Joint Operations directed the conduct of operations, activities and investments through the Theatre Campaign Order.

Defence conducted 26 operations that met the reporting criteria for performance measure 1.1 in 2024–25. Of these operations, five successfully concluded during the reporting period, as operational requirements and Government direction were met. At the conclusion of the reporting period, 21 operations were ongoing.

In 2024–25, the intended performance result for the conduct of operations, activities and investments was achieved. The result was assessed as achieved on the basis that the number of operations conducted or being conducted in accordance with Government direction was greater than 80 per cent, and there were less than 5 per cent of operations, activities and investments that had a fragmentary order[4] issued.

Defence conducted the following operations in the 2024–25 reporting period[5]:

- Operation ACCORDION
  The ADF support mission for all activities in the Middle East region, enabling contingency planning and enhancement of regional relationships.
- Operation ARGOS[6]
  The ADF's commitment to the international effort to enforce United Nations Security Council sanctions on North Korea.
- Operation ASLAN
  The ADF contribution of personnel to the United Nations Mission in South Sudan.
- Operation AUGURY[7]
  The ADF framework in support of efforts to counter terrorism and violent extremist organisations around the world.
- Operation BEECH
  ADF support to the whole-of-government response to the evolving crisis between Israel and Hamas.
- Operation DYURRA
  The dedicated ADF space operation which integrates space capabilities, services and effects into wider operations.
- Operation FORTITUDE
  The ADF contribution to the United Nations Disengagement Observer Force in Syria.
- Operation GATEWAY[8]
  The ADF contribution to the preservation of regional security and stability in South-East Asia.

2 The Theatre Campaign Plan sets out the operational approach to compete in the Indo-Pacific theatre to deter conflict, defeat threats to Australia and Australia's national interests, contribute to collective security, respond to crisis, and support the maintenance of the rules-based international system.
3 The Theatre Campaign Order tasks the ADF to undertake operations, activities and investments to achieve Defence's strategic objectives.
4 A fragmentary order is a military operational order that can be issued to change the conduct of an operation or activity. Fragmentary orders assessed for this performance measure indicated that a change to the conduct of an operation or activity was required due to a change in operational circumstances.
5 Three operations have been excluded from the analysis due to the security classification of the operation, but were included in the calculation of the performance result.
6 Operation also reported under performance measure 5.1.
7 Operation also reported under performance measure 5.1.
8 Operation also reported under performance measure 5.1.

- Operation HYDRANTH
  The ADF contribution to support United States and United Kingdom defensive actions targeting the capabilities used in Houthi rebel attacks in the Red Sea.
- Operation KUDU
  The ADF's operational commitment to supporting Ukraine.
- Operation LILIA
  The ADF support to the Australian Federal Police and Department of Foreign Affairs and Trade in the Solomon Islands.
- Operation LINESMAN[9]
  The ADF contribution to the Inter-Korean peace process, at the request of the United Nations Command.
- Operation MANITOU
  The ADF contribution to support international efforts promoting maritime security, stability and prosperity in the Middle East Region.
- Operation MAZURKA
  The ADF contribution to the Multinational Force and Observers in Sinai.
- Operation OKRA
  Operation Okra was the ADF contribution to the international coalition against Daesh in Iraq and Syria and ceased in December 2024.
- Operation PALADIN
  The ADF support to the United Nations Truce Supervision Organisation, whose activities are spread across Egypt, Israel, Jordan, Lebanon and Syrian Arab Republic.
- Operation RENDER SAFE[10]
  The ADF-led enduring commitment to removing the danger posed by World War Two-era explosive remnants of war in Pacific island countries.
- Operation RESOLUTE
  The ADF contribution to the whole-of-government effort to protect Australia's borders and offshore maritime interests.
- Operation SOLANIA[11]
  The ADF contribution to maritime surveillance within the Pacific Region.
- Operation SOUTHERN DISCOVERY
  The ADF contribution to the Australian Antarctic Program.
- Operation STEADFAST
  The ADF contribution to the North Atlantic Treaty Organization mission in Iraq.
- Operation VAEA
  Defence support to the Government of Samoa's hosting of the 2024 Commonwealth Heads of Government Meeting.
- Operation VANUATU ASSIST
  Defence's response to the Vanuatu earthquake in December 2024.

9 Operation also reported under performance measure 5.1.
10 Operation also reported under performance measure 5.1.
11 Operation also reported under performance measure 5.1.

Below are examples of activities Defence undertook in 2024–25 as part of an operation that contributed towards achievement of the measure:

- installation of ICT infrastructure to support airside planners and mission-critical systems, establishing secure communications for deployed operations in the Middle East as part of Operation ACCORDIAN;
- deployment of ADF personnel and strategic air lift assets to assist Australian Government efforts to support Australians seeking to leave the Middle East region as part of Operation BEECH; and
- urgently responding with the delivery of critical humanitarian aid and repatriation of Australian citizens and permanent residents following the December 2024 earthquake in Vanuatu as part of Operation VANUATU ASSIST.

Exercises

Defence maintains the readiness of the joint force through the conduct of exercises (or joint collective training). Joint collective training creates, replicates or simulates operational conditions to rehearse, test and practice current and emerging capabilities.

In 2024–25, exercises maintained the readiness of the force and its integrated capabilities across the five domains of maritime, land, air, space and cyber, informing both current and future capability employment. They developed and enhanced strategic relationships with Australia's allies and partner nations, and developed interoperability. Exercises provided the opportunity for force experimentation and learning to continually improve the ADF's ability to conduct operations in support of the Government's strategic direction.

Across the in-scope exercises for the reporting period, 100 per cent of the stated objectives were met and conducted in accordance with Government direction, against a target of 100 per cent for the reporting period. Defence conducted the following exercises in 2024–25[12]:

- AUSTRAL SHIELD 2024
  Exercise AUSTRAL SHIELD 2024 practiced the ADF's ability to rapidly deploy to Australia's north and respond to domestic security threats.
- RIM OF THE PACIFIC 2024
  Exercise RIM OF THE PACIFIC is conducted biennially and aims to be the premier joint combined maritime exercise for Australia to strengthen international partnerships, enhance interoperability and improve readiness.

Conducted in Western Australia, the Northern Territory, Queensland and Christmas Island, Exercise AUSTRAL SHIELD provided the opportunity to rehearse the rapid response of full-time and ADF reserve personnel to form Joint Task Force 629, supported by local communities, state emergency services and law enforcement.

ADF personnel took part in Exercise RIM OF THE PACIFIC in 2024. The exercise included successful firing of a naval strike missile for the first time by HMAS *Sydney* and a P-8A Poseidon maritime patrol aircraft conducting a number of flights with other nations, launching torpedoes in a simulated submarine hunting activity.

12 Three exercises have been excluded from this analysis due to the security classification of the exercise, but were included in the calculation of the performance result.

Inclusions and exclusions

Performance measure 1.1 refers to operations, activities and investments, which comprises a range of military tasks planned and conducted using ADF personnel and resources force-assigned to the Chief of Joint Operations. For the scope of reporting against this performance measure, the following inclusions and exclusions have been applied to determine the operations, activities and investments in scope to assess Defence's performance in alignment with the intent of the measure:

- 'operations' collectively refers to Government-directed regional, global and domestic operations and activities, and is inclusive of investments[13] from the point the investment becomes an operation (investments occur with approval, planning and at times conduct from across the whole-of-government and/or Defence);
- 'operations' excludes those operations and activities which are in scope for reporting against performance measure 1.2 in relation to domestic crisis and emergency response in accordance with the Australian Government Crisis Management Framework); or that are categorised as significant crisis response or relief assistance (category 2) or significant recovery assistance (category 3) in accordance with Defence Assistance to the Civil Community Policy;
- 'activities' are captured through the tasks occurring within relevant operations, and joint preparedness training exercises;
- 'investments' are captured in this performance measure from the point at which they become an operation and have therefore not been included separately for assessment; and
- exercises that are conducted by Groups and Services that fall below the agreed point[14] of joint preparedness have been excluded.

Some operations reported under this performance measure are also reported under Target 5.1a (Defence maintains its forward regional presence through ADF operations, activities and investments). The overlap of reporting through these targets is due to the different intent of the key activity and related performance measures and targets.

Rationale

Defence deploys ADF personnel overseas and within Australia to protect Australia and its national interests through the conduct of operations, and maintains ready forces through the planning and conduct of exercises to test operational readiness. This measure demonstrates how Defence contributes to Government's strategic priorities.

Methodology and data sources

Operations

To report against this measure for operations, Defence validated the conduct of operations through assessment of military operational orders (including execute orders, fragmentary orders and cease orders), and post operation and post activity reports. Through these artefacts, Defence determined where operations have or continue to execute against Government direction, and/or where Government direction has resulted in a change to operations. Each operation was assessed against these categories, and the total percentage of operations against each category calculated to determine the result.

13 Investments are the commitment of resources including people, assets, equipment, services, supplies and systems in the achievement of Defence and whole-of-government aims and objectives.

14 Agreed point definition: The Joint Collective Training Authority (Chief of Joint Operations) directs force providers (including the Services) to train and certify unit ready forces individually and collectively to an agreed point. Beyond the agreed point, training and evaluation responsibility transfers from the respective force providers to the Chief of Joint Operations. The agreed point is the point (or points) where specific force provider-led competencies transition to being tested effectively within joint collective training activities against strategic effects and strategic tasks to realise joint force generation and preparation.

For the purposes of this assessment, ongoing operations that span across reporting periods have been included and assessed for their activity within the current reporting period.

Exercises

To report against this measure for exercises completed during the reporting period, Defence assessed whether the exercise objectives to rehearse, test and practice current and emerging capabilities, and identify gaps and areas for improvement were tested. Exercise concept documents, exercise instructions and post-exercise evaluations were used to inform the assessment of whether the exercise objectives were met and therefore conducted in accordance with Government direction, or whether the exercise objectives were unmet.

For the purposes of this assessment, ongoing exercises at the end of the reporting period have not been included and assessed. These exercises will be assessed in the appropriate reporting year once they have concluded.

Changes within the 2024–25 reporting year

The methodology for reporting against this measure was amended during the reporting period to provide a quantitative basis for assessing performance.

Key activity 1:
Conduct operations and deployments to defend Australia and its national interests.

Performance measure 1.2
Defence commits ADF and/or APS assistance to domestic crisis and emergency response, as directed by Government.

Target 1.2a

Defence responds to Australian Government direction as required. This will change year on year.

Source

Portfolio Budget Statements 2024–25, Programs 1.1, 1.2, 1.3, 2.4, 2.5, 2.6, 2.7, 2.8, 2.12

2024–28 Defence Corporate Plan (March 2025), page 25[15]

Performance result

Achieved

Analysis

In accordance with the Australian Government Crisis Management Framework and the Australian Government Disaster Response Plan, Defence deployed liaison officers, planners and specialist personnel in response to a range of domestic crises throughout 2024–25. ADF personnel directly supported state and territory emergency services in domestic disaster relief operations for floods and tropical cyclone events in Western Australia, Queensland and New South Wales.

15 Performance measure 1.2 was amended via the *2024–28 Defence Corporate Plan* (March 2025 update).

These activations were coordinated by the National Emergency Management Agency in response to requests for Commonwealth assistance from state and territory governments.

There was no requirement for APS surge activation during the reporting period. Defence has completed all preparedness activities so that APS surge requests can be activated as required.

Target 1.2a – Defence responds to Australian Government direction as required. This will change year on year

Defence achieved its intended performance against this target in 2024–25 by providing assistance for 100 per cent of requests received from the Commonwealth for emergency or disaster assistance, against a target of 80 per cent for the reporting period.

ADF assistance to domestic crisis and emergency response

In 2024–25, Defence responded to 13 separate Commonwealth task requests for five emergencies or disasters from the National Emergency Management Agency, activated in accordance with the Australian Government Disaster Response Plan for category 2 and/or category 3 assistance. All Defence assistance was provided in accordance with the Defence Assistance to the Civil Community Policy.

Queensland Flood Emergency – February 2025

Defence supported the North Queensland flood emergency by responding to two Commonwealth task requests, with provision of aviation and engineering support, road logistics, and over 400 ADF personnel to assist disaster operations, evacuations, and resupply, restoring access to critical infrastructure, and delivering essential stores and equipment.

Defence delivered approximately 200 tonnes of food, essential items and medical supplies to isolated communities. Over 90 emergency response personnel, including state emergency services and government representatives, were transported across flood affected regions in Queensland to isolated areas by ADF aviation assets. Defence also provided a temporary bridge to restore a critical supply route in North Queensland, providing movement of over 500 vehicles, facilitating emergency passage of supplies, equipment, first responders and flood relief workers until the bridge was repaired. ADF personnel also worked with local emergency services to undertake welfare checks in highrisk areas and with residents that required evacuation.

Western Australia Tropical Cyclone Zelia – March 2025

Defence supported the Western Australian disaster by responding to two Commonwealth task requests following Tropical Cyclone Zelia. The Royal Australian Air Force deployed a C-130J Hercules aircraft with aircrew in response to requests for Commonwealth assistance by the Western Australian Government. Defence delivered a significant volume of fresh produce to isolated communities.

Operation Tropical Cyclone Alfred – March 2025

Defence supported the Queensland and New South Wales emergency response to Tropical Cyclone Alfred and responded to five Commonwealth task requests. Over 1,200 ADF personnel were deployed as a result of this weather event and the associated flood emergency, with a further 600 ADF personnel placed on standby, ready to assist if required.

Defence provided 250,000 sandbags, two aviation search and rescue helicopters, over 90 high clearance vehicles and a light engineering capability. The ADF personnel augmented emergency service personnel to undertake welfare checks to identify persons at risk and conduct relief and early recovery tasks such as sand bagging, route clearance and providing access to critical infrastructure.

Inland Northern Queensland Floods – March 2025

Defence supported the inland Northern Queensland floods following a severe weather event, by responding to two Commonwealth task requests to deploy aviation assets and personnel to deliver essential fuel to isolated communities.

Defence provided a liaison officer and planning support to assist the state response. The Royal Australian Air Force provided a C-27J Spartan aircraft and aircrew to augment Commonwealth and state resources to transport essential aviation fuel to isolated communities, to ensure local providers were able to resupply fodder and supplies for livestock.

New South Wales flood emergency – May 2025

Defence supported the New South Wales flood emergency by responding to two Commonwealth task requests, with provision of a night rescue-capable aviation platform and 70 ADF personnel to undertake rapid damage assessments, welfare checks, route clearance and provide access to critical infrastructure.

A Defence-contracted search and rescue helicopter evacuated eight people from floodwaters and transported emergency room doctors to local hospitals.

Defence APS surge assistance

During the reporting period, there was no requirement for APS surge activation, and therefore Defence did not provide APS assistance in support of domestic crisis and emergency response. The Defence APS remained ready to provide surge support throughout the reporting period, with 370 APS personnel registered on the Defence APS Surge Reserve Register at 30 June 2025. The total number of available registrations represents 1.92 per cent of Defence's average staffing level, which exceeds the Australian Public Service Commission's notional target of 1.50 per cent.

Rationale

Defence supports the Australian community when requested by Government through the Australian Government Crisis Management Framework, coordinated through the National Emergency Management Agency for ADF assistance, and through the Australian Public Service Commission for APS assistance. This measure demonstrates Defence's assistance to emergencies where significant crisis response assistance is required in accordance with categories 2 and 3 in the Defence Assistance to the Civil Community Policy, and via APS surge arrangements.

Given the nature and number of requests for assistance cannot be anticipated in advance, the assessment is based on the completion of activities for both ADF and APS, as applicable.

Methodology and data sources

To report against this measure, Defence assessed whether requests for assistance under the Australian Government Crisis Management Framework (via the National Emergency Management Agency), were met in accordance with Government direction. To undertake this assessment, Defence analysed ADF task requests and closure advice from the National Emergency Management Agency, as well as military orders. The APS assistance component is calculated using the number of requests for APS assistance under the APS surge reserve arrangements where Defence provided the requested support. The ADF and APS requests are combined to determine the total number of requests to Defence for the reporting period.

For the purposes of this assessment, only completed task requests or APS surge activations are in scope for the reporting period. Task requests or surge activations that are ongoing at the end of the reporting period will be assessed in the reporting period in which the request is completed.

Changes within the 2024–25 reporting year
The methodology for reporting against this measure was amended during the reporting period to provide a quantitative basis for assessing performance. Defence has amended this performance measure and target for 2025–26 to better align to the intent of this methodology.

Key activity 2:
Defence is a strategy-led organisation. It supports operationalising and implementing the Government-directed biennial National Defence Strategy.

Performance measure 2.1
The National Defence Strategy is operationalised and monitored through alignment with enterprise planning.

Target 2.1a
Proportion of enterprise planning activities that are aligned to the 2024 National Defence Strategy.

Source
Portfolio Budget Statements 2024–25, Program 2.1

2024–28 Defence Corporate Plan (March 2025), page 25[16]

Performance result
Achieved

Analysis

Target 2.1a – Proportion of enterprise planning activities that are aligned to the 2024 National Defence Strategy
Defence achieved its intended performance against this measure in 2024–25, as 100 per cent of Group and Service Business Plans were assessed as aligned with Government direction in the 2024 National Defence Strategy. The target for the reporting period was 100 per cent.

All of Defence's Group and Service Business Plans were reviewed for evidence of linkages to 2024 National Defence Strategy implementation guidance using a standardised methodology. Linkages to the 2024 National Defence Strategy were found in all Business Plans.

By achieving this target in 2024–25, Defence demonstrated alignment between the inaugural National Defence Strategy and Defence's Group and Service-level Business Plans. The 2024 National Defence Strategy set out a fundamentally new approach to the defence of Australia and our interests. From 2025–26 onwards, this target will report on Defence's performance against Group and Service-level Business Plan activities that are aligned to the National Defence Strategy, to demonstrate the operationalisation of the biennial National Defence Strategy.

16 Performance measure 2.1 was amended via the *2024–28 Defence Corporate Plan* (March 2025 update).

Rationale

Defence is a strategy-led organisation. Strategy is essential to ensuring Defence is aligned and focused on achieving Government-directed priorities for employing military power to protect Australia's national interests.

Defence's National Defence Strategy ensures the Defence enterprise is internally aligned and focused on achieving Government-directed outcomes for employing military power to protect Australia's national interests. The biennial National Defence Strategy is the capstone strategy for Defence, with subordinate Group and Service-level Business Plans outlining specific activities aligned to implementation of the National Defence Strategy and which were planned to be completed during 2024–25.

Methodology and data sources

To report against this measure, Defence calculated the percentage of 2024–25 Group and Service Business Plans assessed as aligned to Government's direction for the 2024 National Defence Strategy. In total, there were 19 Group and Service Business Plans which were assessed for alignment in accordance with this measure. The assessment was repeated by a second officer and validated by a third officer using a pre-determined process to enable assessment of alignment between the Business Plans and Government direction.

Key activity 3:
Enable intelligence-informed decision-making.

Performance measure 3.1
Defence key stakeholder satisfaction of the alignment and impact of Defence Intelligence Enterprise intelligence assessments and products.

Target 3.1a

The percentage of Defence Intelligence Enterprise intelligence assessments and products aligned to the Defence Intelligence Prioritisation Framework.

Target 3.1b

The percentage of satisfaction key stakeholders report in the impact of Defence Intelligence Enterprise intelligence assessments and products to their decision-making.

Source

Portfolio Budget Statements 2024–25, Program 2.14

2024–28 Defence Corporate Plan (March 2025), page 26[17]

Performance result

Baseline established

17 Performance measure 3.1 was amended via the *2024–28 Defence Corporate Plan* (March 2025 update).

Analysis

During the reporting period, Defence established a baseline level of performance for this measure using the performance results for the two targets for 2024–25.

Target 3.1a – The percentage of Defence Intelligence Enterprise intelligence assessments and products aligned to the Defence Intelligence Prioritisation Framework

A baseline result for target 3.1a was established. The baseline performance result against this target indicates the majority of Defence Intelligence Enterprise assessments and products were directly aligned to Defence intelligence priorities.

Where a small number of Defence Intelligence Enterprise assessments and products were assessed as not aligned, the majority of these were due to expected factors, such as intelligence support to non-Defence agencies, burden sharing with intelligence partners, or dynamic production in response to emerging global events.

Target 3.1b – The percentage of satisfaction key stakeholders report on the impact of intelligence assessments and products

The survey for reporting against target 3.1b was conducted for the 12 month period between 1 April 2024 and 31 March 2025 to provide sufficient opportunity to compile and analyse the survey responses to inform this performance assessment. A baseline result for target 3.1b was established. Survey feedback indicated key stakeholders were satisfied with the impact of Defence Intelligence Enterprise intelligence assessments and products on their decision making.

Stakeholders specifically reported on the value of intelligence to provide broad situational understanding, and that the Defence Intelligence Enterprise delivered clear and concise assessments in very complex circumstances. Defence Intelligence Enterprise reporting was noted to have identified trends and events abroad that posed a risk to Australia's national interests.

Stakeholders also reported that targeted and bespoke Defence Intelligence Enterprise products informed critical Defence policy and capability decisions. Defence Intelligence Enterprise assessments also provided intelligence support to key international engagements and future prioritisation of effort.

Constructive stakeholder feedback highlighted opportunities to enhance the targeting and tailoring of intelligence products. These insights will inform the Defence Intelligence Enterprise's continuous improvement efforts and ensure future outputs remain relevant, timely, and aligned with decision-makers' needs.

Overall, Defence has determined the percentage of satisfaction on the alignment and impact of Defence Intelligence Enterprise intelligence assessments and products for the reporting period provides an accurate baseline from which to measure future year performance. For this reason, Defence is aiming to maintain the baseline established in 2024–25. For security purposes, Defence is unable to include the baseline result against each target or the performance measure for public reporting. From 2025–26, Defence will report against this measure using the four-tier rating system and pre-determined criteria published in the *2025–29 Defence Corporate Plan*.

The Defence Intelligence Enterprise will continue to seek stakeholder feedback and improve processes to maintain stakeholder satisfaction.

Rationale

The Defence Intelligence Enterprise delivers intelligence assessments and products to inform Defence's decision making and operational activities in accordance with Australia's national security priorities.

This measure demonstrates the effectiveness of the Defence Intelligence Enterprise in developing intelligence assessments and products that support Defence to achieve its mission, assessing both effectiveness of prioritisation and stakeholder satisfaction.

Methodology and data sources

To report against target 3.1a, Defence reviewed a random sample of intelligence assessments and products to determine whether the assessments or products addressed an intelligence priority.

To report against target 3.1b, Defence conducted a customer satisfaction survey of Defence key intelligence stakeholders for intelligence assessments and products provided in the previous 12 months. Stakeholders provided feedback focused on their level of satisfaction with the impact of Defence Intelligence Enterprise intelligence assessments and products to their decision making.

To calculate the baseline, the targets were weighted at 40 per cent and 60 per cent for 3.1a and 3.1b respectively. This weighting reflects the importance of customer satisfaction to understand the impact Defence Intelligence Enterprise intelligence assessments and products have on decision making.

Changes within the 2024–25 reporting year

The methodology for reporting against this measure was amended during the reporting period to provide a mix of quantitative and qualitative methods for assessing performance. Due to changes to the measure and targets in the 2024–25 reporting period, baseline performance results were established for the level of alignment to intelligence priorities and stakeholder satisfaction with Defence Intelligence Enterprise intelligence assessments and products.

Key activity 4:
Invest in Defence people.

Performance measure 4.1
Defence recruits and retains an ADF and APS workforce to support the Defence mission.

Target 4.1a

Defence achieves the ADF and APS Budgeted Workforce Requirement as set out in the 2024 Defence Workforce Plan.

(Achieved)

Target 4.1b

The net flow of the ADF and APS workforce over a 12 month period is trending positive and is positioning Defence to achieve the Budgeted Workforce Requirement over the forward estimates.

(Achieved)

Source

Portfolio Budget Statements 2024–25, Programs 2.2, 2.12, 2.20, 2.21, 2.22, 2.23

2024–28 Defence Corporate Plan (March 2025), page 26[18]

18 Performance measure 4.1 was amended via the *2024–28 Defence Corporate Plan* (March 2025 update).

Performance result

Achieved

Analysis

Defence achieved its intended performance against this measure in 2024–25, demonstrated by achievement of both targets relating to the position of the workforce (ADF and APS workforce against the Budgeted Workforce Requirement), and direction of workforce growth (net flow against the Budgeted Workforce Requirement). This achievement is a result of recruitment and retention initiatives designed to grow the workforce.

Target 4.1a – Defence achieves the ADF and APS Budgeted Workforce Requirement as set out in the 2024 Defence Workforce Plan

Defence achieved this target in 2024–25, demonstrated by both the permanent ADF and APS Budgeted Workforce Requirement being met at the end of the reporting period.

The permanent ADF exceeded the Budgeted Workforce Requirement at the end of 2024–25 with a result of 100.51 per cent. The APS exceeded the Budgeted Workforce Requirement at the end of 2024–25 with a result of 100.34 per cent.

Workforce	2024–25 Budgeted Workforce Requirement	2024–25 Achievement	Result (% of Budgeted Workforce Requirement achieved)
Permanent ADF	58,850	59,147	100.51
APS	19,236	19,301[19]	100.34

Target 4.1b – The net flow of the ADF and APS workforce over a 12 month period is trending positive and is positioning Defence to achieve the Budgeted Workforce Requirement over the forward estimates

Defence achieved this target in 2024–25, demonstrated by growth in both the permanent ADF and APS workforce, with both exceeding the net flow target. The achievement of the net flow targets enabled the Budgeted Workforce Requirement (target 4.1a) to be met.

The net flow of the permanent ADF exceeded the targeted net flow with a final result of 1.4 per cent at the end of the reporting period. The net flow of the APS exceeded the targeted net flow with a final result of 6.7 per cent at the end of the reporting period.

Workforce	Net flow target (%)	Net flow achieved (%)
Permanent ADF	0.9	1.4
APS	6.4	6.7

The 2024 Defence Workforce Plan supports the delivery of the 2024 National Defence Strategy and 2024 Integrated Investment Program. The plan includes a realistic growth path to achieve a permanent ADF workforce of 69,000 by the early 2030s, aligned to the change in approach to Defence's workforce to meet the demands of Australia's strategic circumstances. This re-profiled growth path is different to average funded strength guidance previously used in workforce planning, and is known as the Budgeted Workforce Requirement[20].

19 The average staffing level achievement of 19,301 in 2024–25 is inclusive of a pay-related transaction which did not translate to an increase in the APS workforce. Pay 26 included a back payment to 260 Defence STEM cadets to address underpayments between February 2021 and February 2025, of which 55 employees terminated prior to 1 July 2024, and 37 employees terminated during the reporting period (total of 92 employees). The 92 employees had a minimal impact on average staffing level achievement in 2024–25 (3.5 ASL over the 26 pays).

20 The permanent ADF workforce requirement published in the Portfolio Budget Statements 2024–25 was 63,597. Following a thorough analysis of its workforce in alignment with the National Defence Strategy, Defence adjusted the required growth path to achieve a permanent ADF workforce of 69,000 by the early 2030s via the 2024 Defence Workforce Plan. This resulted in a reduction in the 2024–25 ADF workforce requirement from 63,597 to 58,850.

To achieve greater levels of retention and extend the average length of service, an ADF continuation bonus was implemented on 1 July 2023, as a two-year pilot initiative which finished on 30 June 2025. The pilot offered eligible ADF personnel a $50,000 bonus in return for an additional three years of service, following the completion of their initial service obligation. As at 30 June 2025, 5,778 eligible ADF personnel had accepted their ADF continuation bonus offer (79 per cent). Following a successful pilot, the Government extended the ADF continuation bonus. From 1 July 2025, the ADF continuation bonus includes two offerings of $40,000, at two critical career decision points helping to retain junior and middle ranks over the forward estimates.

Further examples of initiatives to improve recruitment and retention through 2024–25 include:

- an increase in pay for members in communications and cyber, engineering maintenance and construction, and intelligence workforce segments; and
- the introduction of more contemporary entry standards for the ADF so that candidates who were previously rejected may now be eligible to service, for example those with a history of broken bones, and those with some orthodontic appliances such as braces.

The combination of recruitment and retention initiatives and re-profiled workforce growth path defined in the 2024 Defence Workforce Plan contributed towards achievement of the measure in 2024–25. The workforce growth path will be updated biennially as part of the National Defence Strategy cycle.

Rationale

People are key to achieving the Defence mission and implementing the National Defence Strategy. ADF recruitment and sustained improvement in ADF and APS retention are essential for workforce growth. This measure demonstrates how Defence is progressing towards workforce targets to achieve an overall permanent ADF and APS workforce of around 100,000 by 2040. Target 4.1a represents the position of the workforce relative to the Budgeted Workforce Requirement at the end of the reporting period, whereas target 4.1b represents the direction and magnitude of workforce growth. The net flow is an indicator of the rate of workforce growth, calculated using the change in average funded strength[21] (for the ADF workforce) and average staffing level[22] (for the APS workforce) over a 12 month period. The combination of these factors provides the most accurate measurement of the impact of Defence's recruitment and retention efforts in order to inform the future growth path.

Methodology and data sources

Target 4.1a

To report against this target, Defence calculated and assessed the position of the workforce through the average funded strength and the average staffing level. For the 2024–25 reporting period, the Budgeted Workforce Requirement was defined in the 2024 Defence Workforce Plan.

The workforce result was derived by finding the mean (average) achievement[23] over the 26 pays during 2024–25, and presenting that difference as a proportion of the Budgeted Workforce Requirement.

21 Average funded strength (ADF workforce) is the average of the number of paid military personnel over each pay period from the commencement of the financial year. It includes all permanent members as well as members of the ADF Gap Year Program (Service option G) and Reserve members serving on continuous full time service (Service option C).

22 Average staffing level (APS workforce) is the average of the full-time equivalent employees over each pay period from the commencement of the financial year.

23 The average funded strength (ADF workforce) / average staffing level (APS workforce) consumption.

Target 4.1b
Defence reports on the direction of the workforce growth through the net flow of the ADF and APS workforce. Net flow is the rate of change in the average funded strength and average staffing level result over a 12 month period (1 July 2024 to 30 June 2025), measured against the Budgeted Workforce Requirement.

The net flow result was derived by taking the difference between end-of-financial year 2024–25 achievement[24] and the end-of-financial year 2023–24 achievement; then presenting that difference as a proportion of the Budgeted Workforce Requirement for 2024–25.

Assessment criteria
The target level assessments were combined to determine the overall performance against the measure using the below criteria.

Achieved: Both targets were achieved.

Substantially achieved: Both targets were rated as substantially achieved, or one target was substantially achieved while the other was achieved.

Partially achieved: Both targets were rated as partially achieved, or one target was partially achieved and the other was substantially achieved or achieved.

Not achieved: At least one or both targets were not achieved.

Key activity 4:
Invest in Defence people.

Performance measure 4.2
Defence grows the necessary skills and capabilities to enable the Defence mission.

Target 4.2a
The Defence workforce has the technical skills required to deliver the National Defence Strategy as measured through the Defence Strategic Workforce Segments.

(Partially achieved)

Target 4.2b
The net flow of the ADF and APS workforce over a 12 month period against the Budgeted Workforce Requirement by Strategic Workforce Segment.

(Partially achieved)

Source
Portfolio Budget Statements 2024–25, Programs 2.2, 2.12, 2.20, 2.21, 2.22, 2.23

2024–28 Defence Corporate Plan (March 2025), page 26[25]

Performance result
Partially achieved

24 The average funded strength (ADF workforce) / average staffing level (APS workforce) consumption.
25 Performance measure 4.2 was amended via the *2024–28 Defence Corporate Plan* (March 2025 update).

Analysis

Defence partially achieved its intended performance against this measure in 2024–25, due to both targets only having partially achieved the Budgeted Workforce Requirement and net flow targets against the Strategic Workforce Segments.

Target 4.2a – The Defence workforce has the technical skills required to deliver the National Defence Strategy as measured through the Defence Strategic Workforce Segments

Defence partially achieved this target in 2024–25. At the end of the reporting period, 10 out of 14 Strategic Workforce Segments (for the permanent ADF and APS) had exceeded the Budgeted Workforce Requirement. This represents 71 per cent.

The permanent ADF exceeded the Budgeted Workforce Requirement for five out of eight Strategic Workforce Segments. The APS exceeded the Budgeted Workforce Requirement for five out of six Strategic Workforce Segments.

Target 4.2b – The net flow of the ADF and APS workforce over a 12 month period against the Budgeted Workforce Requirement by Strategic Workforce Segment

Defence partially achieved this target in 2024–25. The net flow for 10 out of 14 Strategic Workforce Segments (combined for permanent ADF and APS) met the target percentage required to reach the Budgeted Workforce Requirement at the end of 2024–25. This represents 71 per cent. The net flow for five of the eight permanent ADF Strategic Workforce Segments exceeded the target required to reach the Budgeted Workforce Requirement.

The net flow of five of the six APS Strategic Workforce Segments exceeded the target required to reach the Budgeted Workforce Requirement.

To achieve greater levels of retention and extend the average length of service in required workforce segments, a targeted workforce segments pay increase was announced in April 2025 for ADF members in the communications and cyber, engineering maintenance and construction, and intelligence workforce segments.

In 2024–25, Defence also prioritised recruitment into the areas of greatest need. This included employment categories within workforce segments that have current workforce shortfalls or growing future requirements.

Rationale

People are key to achieving the Defence mission and implementing the National Defence Strategy. To enable Defence to achieve its mission, Defence must ensure that its workforce has the required skills and capabilities to conduct operations and exercises, provide assistance with domestic crisis and emergency response, and deliver strategic policy, military, intelligence, and enabling capabilities as directed by Government.

To understand whether the Defence workforce has the skills and capabilities needed to achieve its mission, Defence uses Strategic Workforce Segments. The Strategic Workforce Segments provide a high level approach to workforce planning, whereby ADF and APS occupations are segmented into eight broad categories representing required skills and capabilities: aviation, combat and security, communications and cyber, engineering maintenance and construction, enterprise and command support, health, intelligence, and logistics.

Target 4.2a represents the position of the workforce against the eight segments, whereas target 4.2b represents the direction of workforce growth against the eight segments. The combination of these factors provides the most accurate measurement of the impact of Defence's recruitment and retention efforts against required skills and capabilities.

Methodology and data sources

Target 4.2a

To report against this target, Defence reported on the position of the workforce average funded strength and average staffing level results. The result was derived by finding the mean (average) achievement[26] over the 26 pays of 2024–25, and then presenting that difference as a proportion of the Budgeted Workforce Requirement. This was completed at the Strategic Workforce Segment level for this target.

Target 4.2b

For this target, Defence reported on the direction of the workforce growth through the net flow of the permanent ADF and APS workforce. Net flow is the rate of change in the average funded strength (ADF workforce) and average staffing level (APS workforce) result over a 12 month period, measured against the Budgeted Workforce Requirement set out in the 2024 Defence Workforce Plan.

The result was derived by taking the difference between end-of-financial year 2024–25 achievement and the end-of-financial year 2023–24 achievement, then presenting that difference as a proportion of the Budgeted Workforce Requirement for 2024–25. This was completed at the Strategic Workforce Segment level for this target.

Assessment criteria

The target level assessments were combined to determine the overall performance against the measure using the below criteria.

Achieved: Both targets were achieved.

Substantially achieved: Both targets were substantially achieved, or one target was substantially achieved while the other was achieved.

Partially achieved: Both targets were partially achieved, or one target was partially achieved and the other was substantially achieved or achieved.

Not achieved: At least one or both targets were not achieved.

Key activity 4:
Invest in Defence people.

Performance measure 4.3

The Defence values and behaviours enable our people to deliver Australia's National Defence.

Target 4.3a

The proportion of ADF and Defence APS personnel that believe appropriate action will be taken if they report an incident of unacceptable behaviour has increased in the last 12 months.

(Not achieved)

26 The average funded strength (ADF workforce) / average staffing level (APS workforce) consumption.

Target 4.3b

The proportion of ADF and Defence APS personnel who have experienced any unacceptable behaviour in the workplace has decreased in the last 12 months.

(Not achieved)

Target 4.3c

The proportion of ADF and Defence APS personnel who are of the view that Defence Values are being used in their work area has increased in the last 12 months.

(Partially achieved)

Source

2024–28 Defence Corporate Plan (March 2025), page 26[27]

Performance result

Not achieved

Analysis

The performance result for this measure in 2024–25 was not achieved, due to two targets being not achieved (4.3a and 4.3b) and one target being partially achieved (4.3c).

Target 4.3a – The proportion of ADF and Defence APS personnel that believe appropriate action will be taken if they report an incident of unacceptable behaviour has increased in the last 12 months

In 2024–25, 80.9 per cent of ADF and Defence APS personnel who participated[28] believed appropriate action would be taken if they reported an incident of unacceptable behaviour. In 2023–24, the result was 82 per cent, which reflects a decrease of 1.1 per cent between the two reporting periods and a result of not achieved (against a target of a 5 per cent or more increase from the previous year).

Data for reporting against this target is from the November 2024 and June 2025 Workplace Behaviours surveys.

In 2024–25, Defence endeavoured to build confidence in our people that action will be taken if they report an incident of unacceptable behaviour. In November 2024, the Chief of the Defence Force issued an Interim Directive regarding the suspension from duty and involuntary separation of members alleged to have engaged in serious misconduct. During 2024–25, Defence's central sexual misconduct policy was reviewed and updated to provide commanders and managers with clear guidance on when to contact the Joint Military Police Unit for sexual misconduct incidents, and to include return to work protocols for people impacted by sexual misconduct. Defence also delivered 1,724 alternative dispute resolution interventions during the reporting period to help people address incidents that occurred. These interventions included mediation, facilitated conversations, group facilitations and conflict coaching. Workshops were also conducted to provide commanders, managers and personnel with information about complaint management processes, with 5,832 participants attending.

27 Performance measure 4.3 was added via the *2024–28 Defence Corporate Plan* (March 2025 update).
28 Participation in the YourSay Defence surveys is voluntary and results relate to those ADF and Defence APS staff who chose to participate.

Target 4.3b – The proportion of ADF and Defence APS personnel who have experienced any unacceptable behaviour in the workplace has decreased in the last 12 months
In 2024–25, 38.8 per cent of ADF and Defence APS personnel who participated reported an experience of any unacceptable behaviour. In 2023–24 the result was 37.9 per cent, reflecting an increase of 0.9 per cent between the two reporting periods and a result of not achieved (against a target of a 5 per cent or more decrease from the previous year).

Data for reporting against this target is from the November 2024 and June 2025 Workplace Behaviours surveys.

Defence recognises more work is required to improve the experience of our people at work. There is no place in Defence for unacceptable behaviour.

Throughout 2024–25, Defence continued to implement the Defence Culture Blueprint, outlining the expectations of all staff and the Defence values and behaviours. For example, Defence added information to the mandatory workplace behaviour awareness training to include the 'Stop Sexual Harassment Directive', Respect@work requirements and the Chief of Defence Force Directive in relation to bystander behaviour. Defence also commenced implementation of the recommendations from the Royal Commission into Defence and Veteran Suicide, prioritising implementation of recommendations that address sexual violence, suicide prevention, programs and improved systems for complaints. Actions to reduce unacceptable behaviour and improve the experience of Defence personnel will remain a focus.

Target 4.3c – The proportion of ADF and Defence APS personnel who are of the view that Defence Values are being used in their work area has increased in the last 12 months
In 2024–25, 80.4 per cent of ADF and Defence APS personnel who participated viewed that Defence values were being used in their work area. In 2023–24 this result was 79.6 per cent, which reflects an increase of 0.8 per cent between the two reporting periods and a result of partially achieved (against a target of a 5 per cent or more increase from the previous year).

Data for reporting against this target is from the June 2025 Workplace Experience survey. To compare 2023–24 to 2024–25 results, April 2024 Workplace Experience survey results were used.

In 2024–25:

- Army delivered its annual Command Climate Survey, which offers soldiers the opportunity to provide feedback on issues that affect them. The survey responses contribute to the chain of command's understanding of their unit climate, informing local and strategic decision-making. Army also delivered initiatives to ensure that our people feel valued and supported in the workplace. This included piloting the strength through respect workshop and delivery of the Miringu Project – Telling Army's First Nations Story. This project is aimed at demonstrating the shared military heritage with First Nations Peoples, the cross-cultural achievements of Army's soldiers and where appropriate, blend First Nations practices and artefacts into Australian military tradition.
- Army continues to foster a culture that prepares soldiers for the challenges of combat through a range of activities to develop social and professional mastery to manage the physical, mental and moral impacts of war.
- The ongoing rollout of the Sexual Ethics and Respectful Relationships program in Fleet is designed to address unacceptable behaviour and sexual misconduct. The aim of the workshops is to educate and engage our people in understanding, preventing, and responding

to sexual misconduct through facilitated discussions and activities designed to develop a shared language and understanding of respectful behaviour.
- The introduction of the Navy Leaders Forum stimulates social mastery and leadership conversations with Navy middle management (senior enlisted and 04/05 officers) not previously engaged through other leadership forums.
- The development of the Navy Coaching Academy provides social mastery tools to all Navy leaders to shape how they have conversations and provide feedback.
- Air Force senior leaders regularly review available culture data to inform their culture priorities and decision making. When Air Force identifies a potential area of concern or need for additional support, a team is established by Air Force Headquarters and Headquarters Air Command to suit the context. The team may include organisational behaviour, culture, and safety specialists who work with the Commander to investigate and address the identified issues.
- Air Force senior leadership team meetings prioritised education and discussion of people and culture strategy and initiatives.
- The Air Force Adaptive Culture team developed and delivered culture presentations and workshops for aviators, teams and leaders to operationalise the Defence Culture Blueprint program.

Rationale

People are Defence's most important capability and Defence's culture is fundamental to achieving the Defence mission and implementing the National Defence Strategy. This measure demonstrates Defence's progress towards improving the experience of the ADF and APS through the conduct of the YourSay Defence surveys (including the Workplace Behaviour Survey and Workplace Experience Survey), which ask the ADF and Defence APS workforce about their experiences of unacceptable behaviour and Defence values. The workforce's perception of whether they believe action will be taken in relation to instances of unacceptable behaviour is an important insight into the overall confidence of Defence's workforce in institutional culture reform. Similarly, the perception of whether individuals believe others in their work areas are behaving in accordance with Defence values provides insights into the impact of cultural reform activities.

Methodology and data sources

In 2024–25, in response to the recommendations from the Royal Commission into Defence and Veteran Suicide, Defence amended the frequency of the survey from biannual to annual. This change was intended to reduce the burden of surveys on Defence personnel, in order to promote survey participation. Between November 2024 and June 2025, response rates increased from 14 per cent to 17 per cent for the Workplace Experience survey, and from 14 per cent to 16 per cent for the Workplace Behaviour survey. Defence expects participation will increase further with a full year between the YourSay surveys.

Assessment criteria

The assessments of the three targets were combined to determine the overall performance against the measure using the below criteria.

Achieved: All three targets were achieved.

Substantially achieved: At least two of the targets were achieved, with the other substantially or partially achieved.

Partially achieved: Only one target was achieved, with the others substantially, partially or not achieved.

Not achieved: No targets were achieved.

Key activity 4:
Invest in Defence people.

Performance measure 4.4
Defence supports ADF members and their families by providing access to support services and programs having regard to lifetime wellbeing.

Target 4.4a
At least 75 per cent of eligible permanent ADF members and their families are registered with the ADF Family Health Program.

(Substantially achieved)

Target 4.4b
100 per cent of support services and programs are provided to permanent ADF and their families in accordance with identified service delivery timeframes.

(Unable to report)

Target 4.4c
Defence suicide prevention training is practical, tailored, informed by lived experience and delivered in-person.

(Substantially achieved)

Target 4.4d
100 per cent of Defence-led, Government-agreed recommendations from the Final Report of the Royal Commission into Defence and Veteran Suicide which are on the Forward Work Plan for the Program Board in 2024–25, have approved Reform Management Plans by 30 June 2025.

(Substantially achieved)

Source
2024–28 Defence Corporate Plan (March 2025), page 27[29]

Performance result
Partially achieved

Analysis
Defence partially achieved this performance measure in 2024–25, by substantially achieving targets 4.4a, 4.4c and 4.4d. The remaining target (4.4b) was assessed as unable to report as the performance result was not able to be calculated for the reporting period. As the pre-determined assessment criteria did not account for any of the targets being unable to report, the overall

29 Performance measure 4.4 was added via the *2024–28 Defence Corporate Plan* (March 2025 update).

performance result was assessed as partially achieved on the basis that the unable to report outcome for target 4.4b is equivalent to an assessment of not achieved.

Target 4.4a – At least 75 per cent of eligible permanent ADF members and their families are registered with the ADF Family Health Program

Defence substantially achieved its intended performance against this target during the reporting period, with 74.06 per cent of eligible members registered for the ADF Family Health Program as at 30 June 2025, against a target of at least 75 per cent for achievement of the target.

The following table shows a steady increase in registrations from the previous reporting periods.

	2022–23	2023–24	2024–25
Eligible ADF members	33,657	33,581	34,415
Eligible dependants	69,816	68,807	69,721
Performance against target	**69%**	**73%**	**74%**
Registered dependants	52,727 (76%)	53,826 (78%)	55,391 (79%)
Total claims	**185,266**	**285,368**	**198,524**

Note: There are some dependants that are double-counted due to being listed by two ADF members. There are some Recognised Other Persons[30] included in the eligible dependants and registered dependants figures that may not be eligible for the program. Percentages have been rounded to the nearest whole number in the above table.

The eligible dependants, registered dependants and total claims shown in the above table demonstrate program usage. Registration growth can be attributed to ADF Family Health Program targeted communications and expansion of the program benefits in 2023 and 2024. The increased number of claims in 2023–24 is likely due to the increased services eligible for reimbursement under the program and the doubling of the benefit amount per dependant from $400 to $800 from 1 July 2023.

Target 4.4b – 100 per cent of support services and programs are provided to permanent ADF and their families in accordance with identified service delivery timeframes

Defence was unable to report against this target for 2024–25. There were three programs intended to be included for assessment, which were the Partner Employment Assistance Program, the Education Assistance Scheme, and the Special Accommodation for Emergencies Scheme. Due to information systems only being configured to enable capture and reporting of the approval time for referrals late in the reporting period for the Special Accommodation for Emergencies Scheme, a performance result could not be calculated.

For the Partner Employment Assistance Program, Defence processed 99.78 per cent (1,382 out of 1,385) of registrations within five days for the reporting period.

For the Education Assistance Scheme, Defence processed 93.43 per cent (256 out of 274) of completed applications received, within five days for the reporting period.

Target 4.4c – Defence suicide prevention training is practical, tailored, informed by lived experience and delivered in-person

Defence substantially achieved this target in 2024–25, with training participants having assessed suicide prevention training was practical (achieved), tailored (achieved) and informed by lived experience (achieved). Defence assessed that the training was delivered in-person (partially achieved).

30 A Recognised Other Person is a person who lives with an ADF member but who isn't recognised family. Examples may include a live-in carer, an elderly parent who needs support and an adult child between 21 and 25 years old. Further guidance on Recognised Other Persons are found in 1.3.37 of the ADF Pay and Conditions Manual: Division 4: Key definitions relating to people | Pay and Conditions.

The following results for whether the training was practical, tailored and informed by lived experience were from training participant survey data from 3,355 respondents, covering the period from September 2024 to 30 June 2025.

Defence suicide prevention training is practical:

- 88.92 per cent agreed *"The resources needed to use what I have learned are available to me"* (Target >50 per cent); and
- 85.87 per cent agreed *"I plan to integrate what I learned into my work"* (Target >50 per cent).

Defence suicide prevention training is tailored:

- 88.41 per cent agreed *"The training used examples that showed me how I could use my learning"* (Target >50 per cent);
- 80.68 per cent agreed *"It is clear that the training developers understand how I will use what I learn"* (Target >50 per cent); and
- 58.77 per cent agreed *"I will get opportunities to use this training"* (Target >50 per cent).

Defence suicide prevention training is informed by lived experience:

- 78.63 per cent agreed "Hearing first-hand from Defence members enhanced my experience of this training" (Target >50 per cent).

Defence suicide prevention training is delivered in-person

A count of the suicide prevention training courses found that most (but not all) are delivered in-person. As part of the Suicide Prevention Program there are seven training courses. Four out of the seven are currently offered to be delivered in-person[31].

Target 4.4d – 100 per cent of Defence-led, Government-agreed recommendations from the Final Report of the Royal Commission into Defence and Veteran Suicide which are on the Forward Work Plan for the Program Board in 2024–25, have approved Reform Management Plans by 30 June 2025

Defence substantially achieved this target for the 2024–25 reporting period. This was demonstrated by 94.12 per cent of Defence-led, Government-agreed recommendations from the Royal Commission into Defence and Veteran Suicide on the Forward Work Plan for the Program Board in 2024–25 having an approved Reform Management Plan.

The Royal Commission into Defence and Veteran Suicide Program Board (the Program Board) Forward Work Plan outlined the items scheduled for consideration by the Program Board and informed each meeting agenda. The Forward Work Plan was updated following the approval of meeting outcomes and reflected future scheduling. For the reporting period, the agendas became the historical record of what was considered at each Program Board meeting. The Program Board met inperson in accordance with the Forward Work Plan, noting that some items were considered electronically for decision out-of-session by exception:

- A Forward Work Program was approved by the Program Board out-of-session in December 2024 which included a total of 42 recommendations scheduled for consideration by 30 June 2025.

31 Delivered in-person refers to training conducted in the physical presence of a facilitator or instructor that is co-located with participants or delivered through virtual platforms.

- The Forward Work Program was revised out-of-session in March 2025 to reflect a change in meeting cadence from bi-monthly to monthly, and rescheduled to include a total of 36 recommendations scheduled for consideration by 30 June 2025[32].
- A Forward Work Plan (introduced as a sub-section of the Forward Work Program to manage the scheduling of recommendations) was revised by the Program Board on 1 May 2025 to remove two recommendations, which resulted in a total of 34 recommendations scheduled for consideration by 30 June 2025.

In total, 34 recommendations were considered to be on the Forward Work Plan for the reporting period ending on 30 June 2025. Note that the Program Board agreed to include recommendations that were joint-led[33], and some recommendations that were also Government agreed-in-principle and noted.

The decisions and actions register captured all official Program Board decisions, including the approval of Reform Management Plans for each recommendation from the Final Report of the Royal Commission into Defence and Veteran Suicide. The decisions and actions register captured the following Program Board approvals of Reform Management Plans:

- 20 February 2025 – 10 recommendations (55, 20, 109, 15, 21, 22, 23, 34, 70, 27);
- 1 May 2025 – six recommendations (68, 16, 17, 18, 63, 61);
- 27 May 2025 – six recommendations (38, 40, 41, 79, 84, 116);
- 19 June 2025 – seven recommendations (53, 26, 56, 2, 24, 36, 39); and
- 30 June 2025 – three recommendations (9, 19, 69).

A total of 32 out of 34 recommendations (or 94.12 per cent) were considered to have approved Reform Management Plans for the reporting period ending on 30 June 2025. For the purpose of reporting against this target, Reform Management Plans were considered to be approved if they were approved, approved subject to further information, or approved with caveats.

In 2025–26, this target will report on Defence's progress against implementation of the Defence-led recommendations.

Rationale

Supporting ADF members and their families is fundamental to preventing suicide and improving mental health and wellbeing of ADF members as they work to keep Australians safe, achieving the Defence mission and implementing the National Defence Strategy. This measure demonstrates Defence's commitment to improving health, wellbeing and safety outcomes for ADF members and their families by providing supports. The programs that have been included directly address the priority support needs identified by members, families and the Royal Commission into Defence and Veteran Suicide. Ongoing monitoring and evaluation of support services and programs for ADF members and families, and development and approval of Reform Management Plans, assists Defence to better understand the effectiveness of supports provided.

32 At the Program Board in February 2025, a decision was made to change the meeting cadence from bi-monthly to monthly. There was no meeting in March 2025. Instead, the Forward Work Program was revised out-of-session to agree the new meeting cadence and the redistribution of recommendations across monthly meetings for the rest of 2025. Had a meeting been convened in March, the Program Board may have been able to consider approximately 10 recommendations, which accounts for the difference. All recommendations are still scheduled to be considered by the Program Board by the end of 2025.

33 Joint-led refers to recommendations that are jointly led by Defence and the Department of Veterans' Affairs.

Methodology and data sources

Target 4.4a

To report against this target, Defence determined the number of permanent ADF members and their families eligible for the ADF Family Health Program, and the number of registered permanent ADF members and their families. The percentage of eligible permanent ADF members and their families who were registered at the end of the reporting period was calculated to determine performance for 2024–25.

Target 4.4b

To report against this target, Defence assessed performance against service delivery timeframes of the Partner Employment Assistance Program and Education Assistance Scheme to determine whether permanent ADF members and their families have timely access through the processing/approval of applications/registrations[34]. A third program, the Special Accommodation for Emergencies Scheme, was intended to be in scope for the 2024–25 reporting period, but will instead be included in the target from 2025–26. The service delivery timeframe differs for each of these programs.

Defence's support services and programs include two additional programs, Childcare Individual Case Management and the Emergency Support for Families Scheme. Defence was unable to include these programs for assessment against this target in 2024–25 due to the absence of reliable and verifiable data. Defence intends to include these programs for assessment against the target in future reporting periods.

Target 4.4c

To report against this target, Defence used survey results from Defence personnel who had completed suicide prevention training during the reporting period, and voluntarily completed feedback surveys. The responses against a subset of survey questions were assessed to determine whether participants indicated the suicide prevention training was practical, tailored, and informed by lived experience. A training format review was used to assess whether the training was delivered in-person. The results against the four indicators were combined to determine performance against the target.

Target 4.4d

To report against this target, Defence used the Forward Work Plan for the Program Board to determine how many Defence-led, Government-agreed recommendations were scheduled to have Reform Management Plans agreed by the end of the reporting period. Using the decisions and actions register from the Program Board meetings, Defence calculated the result by dividing the number of recommendations with approved Reform Management Plans by the number of recommendations to be considered on the Forward Work Plan by 30 June 2025. In the next reporting period, Defence will assess achievement of this target by analysing the status of Defence-led, Government-agreed recommendations from the Final Report of the Royal Commission into Defence and Veteran Suicide, to determine whether recommendations are completed, or are on track for completion.

34 The data for reporting against the Partner Employment Assistance Program captures both applications and registrations due to change to the management of the program that occurred during the reporting period. There was no impact to the performance result, as the application process has been replaced by the registration process. Registrations will be reported from 2025–26 onwards.

Assessment criteria

The assessments of the four targets were combined to determine the overall performance against the measure using the below criteria.

Achieved: Where all four targets were achieved.

Substantially achieved: Where one or more targets were achieved, and the other targets were substantially or partially achieved.

Partially achieved: Where no less than three targets were substantially or partially achieved, and the other target was not achieved.

Not achieved: Where two or more of the targets were not achieved.

Key activity 5:

Defence's international engagement – operational presence; support to regional security capability; people-to-people engagement; and bilateral and multilateral diplomatic engagement – support a strategy of denial in our primary area of military interest.

Performance measure 5.1

The ADF has a near persistent presence in Australia's immediate region.

Target 5.1a

Defence maintains its regional forward force presence through ADF operations, activities and investments.

Source

Portfolio Budget Statements 2024–25, Program 2.1

2024–28 Defence Corporate Plan (March 2025), page 27[35]

Performance result

Baseline established

Analysis

Target 5.1a – Defence maintains its regional forward force presence through ADF operations, activities and investments

In the 2024–25 reporting period, Defence established a baseline number of operations, activities and investments executed in Australia's immediate region. For security purposes, Defence is unable to include the actual number of operations, activities and investments for public reporting.

During 2024–25, regional presence was demonstrated by operations, activities and investments, examples of which included:

- personnel from across the ADF, the Armed Forces of the Philippines and the United States Armed Forces taking part in Exercise BALIKATAN in April and May 2025, designed to enhance military interoperability and readiness; and

35 Performance measure 5.1 was amended via the *2024–28 Defence Corporate Plan* (March 2025 update).

- a six-week deployment through Southeast Asia by HMAS *Hobart*, with an embarked MH-60R Romeo Seahawk, under Australia's long standing regional deployment program.

In the next reporting period, Defence will assess achievement of this performance measure against the 2024–25 baseline number to determine whether regional forward force presence has been maintained, by comparing the number of planned[36] operations, activities and investments executed in the immediate region with the baseline number from 2024–25.

Rationale

Australia's security and prosperity is inextricably linked to developments in the Indo-Pacific. In the 2024 National Defence Strategy, Government directed that Defence must focus on 'safeguarding Australia's interest in its primary area of military interest, the immediate region encompassing the Northeast Indian Ocean through maritime Southeast Asia into the Pacific. This region includes Australia's northern approaches'.

Defence safeguards Australia's interests by planning and executing operations, activities and investments to achieve a regional forward force presence. Operations, activities and investments include regular patterns of deployments, visits, exercises and routine operations in the region. A regional forward presence helps Australia build interoperability and strengthen relationships with partner nations, supporting Defence's preparedness outcomes.

Methodology and data sources

Defence measures success in maintaining its regional forward force presence through the execution of operations, activities and investments in accordance with the Theatre Campaign Plan, aligned to the National Defence Strategy. The Theatre Campaign Plan sets out the operational approach to compete in the Indo-Pacific theatre to deter conflict, defeat threats to Australia and Australia's national interests, contribute to collective security, respond to crisis and support the maintenance of the rules-based international system. From the Theatre Campaign Plan, a Theatre Campaign Order tasks the ADF to undertake operations, activities and investments to achieve Defence's strategic objectives.

To determine whether regional forward presence has been maintained, Defence calculated the total number of planned operations, activities and investments executed at the end of the reporting period. The identification of planned operations, activities and investments was a critical step for performance measure 5.1, as some operations reported under this performance measure are also reported under performance measure 1.1 (Defence maintains ready forces, plans and conducts operations, activities and investments as directed by government to achieve Defence's strategic objectives). The overlap of reporting through these performance measures is due to the differing nature and criteria of the respective measures.

An operation, activity or investment is considered executed if, at the end of the reporting period, it was either completed or is ongoing. As this measure is structured to measure the ADF's presence in the immediate region, an ongoing operation, activity or investment is still demonstrative of ADF presence. Where activities cross over reporting periods, they are counted uniquely for each reporting period as they contribute to the overall presence of the ADF in the region for that period of time.

36 A number of planned operations in-scope for performance measure 5.1 are also reported against performance measure 1.1. These operations are identified in the analysis for performance measure 1.1

For the purposes of this measure, all operations, activities and investments are considered the same, regardless of length or complexity as they provide the near regional forward force presence within the time and geographic bounds of the measure.

Execution of operations, activities and investments is evidenced through operational reporting from assigned forces including situation reports, commander's update briefs, operational updates and post operation, activity and investment reports.

Key activity 5:
Defence's international engagement – operational presence; support to regional security capability; people-to-people engagement; and bilateral and multilateral diplomatic engagement – support a strategy of denial in our primary area of military interest.

Performance measure 5.2:
Defence enhances Australia's relationships with the Government's priority Indo-Pacific and global partners.

Target 5.2a
Defence effectively implements action items from annual 2+2 (Foreign Affairs and Defence) ministerial meetings.

Source
Portfolio Budget Statements 2024–25, Program 2.1

2024–28 Defence Corporate Plan (March 2025), page 27[37]

Performance result
Achieved

Analysis
Target 5.2a – Defence effectively implements action items from annual 2+2 ministerial meetings

In the 2024–25 reporting period, Defence tracked the implementation of action items from 2+2 dialogues with the United States (AUSMIN), United Kingdom (AUKMIN), New Zealand (ANZMIN), Japan, India, Indonesia and the Republic of Korea. The population for 2+2 ministerial meetings was based on the following selection criteria:

- meetings involving both the Foreign Affairs and Defence ministers from Australia and one other nation (referred to as 2+2 ministerial meetings); and
- the pattern of 2+2 ministerial meetings is well established (which at a minimum is once every two years; the criteria excludes ad hoc or one-off ministerial meetings).

Defence achieved this target in 2024–25 with 83.45 per cent of action items (116 out of 139 items) from annual 2+2 ministerial meetings either completed or on track for implementation at the end of the reporting period in accordance with agreed milestones. This was against a target of 80 per cent or more action items either completed or on track at the end of the period.

37 Performance measure 5.2 was amended via the *2024–28 Defence Corporate Plan* (March 2025 update).

The seven 2+2 ministerial meetings assessed for this performance measure have a total of 139 Defence-led outcomes and corresponding action items. Of the 139 items, as at 30 June 2025:

- 37 out of 139 items (26.62 per cent) were completed and the action item was considered closed;
- 79 out of 139 items (56.83 per cent) were considered on track in line with expected delivery milestones (timeframes and resourcing);
- 21 out of 139 items (15.11 per cent) were categorised as watching brief due to implementation having at least one of the following minor delivery issues:
  - the expected delivery date is between one and four months after the target completion date;
  - where relevant, the budget has increased by between 5 and 25 per cent compared to the original plan; or
  - minor challenges were identified with establishing adequate resourcing to deliver the action item on time and on budget;
- two out of 139 items (1.44 per cent) were considered at risk with implementation having the following delivery issues:
  - expected delivery is more than four months after target completion date;
  - expected delivery budget has increased by more than 25 per cent compared to original plan; or
  - there were minor challenges with establishing adequate resourcing to deliver the action item on time and on budget.

Rationale

The intent of this measure is to track how Defence has enhanced its relationship with priority partners. The 2024 National Defence Strategy sets out that Defence's international engagement activities must focus on achieving outcomes that contribute to regional security and stability and strengthen deterrence against the threat of military coercion or a major conflict.[38] Regional defence engagement is a vital pillar of Australia's diplomacy.

Ministerial meetings are an integral form of engagement. Defence and Foreign Affairs ministerial meetings (referred to as 2+2) focus on strengthening partnerships, enhancing strategic alignment and cooperation, discussing regional and global challenges, building strategic trust and understanding, and enabling commitments between partner countries at the highest level. Ministerial meetings aim to achieve national objectives through joint statements and agreements, which also send a strong political message internationally.

The progress of outcomes from 2+2 ministerial meetings is a reasonable indicator of the strength of Defence's international partnerships.

Methodology and data sources

To report against this measure, Defence analysed the status of Defence-led action items from 2+2 ministerial meetings at the end of the reporting period to determine whether the action items were completed, or are on track for completion. Action items were determined to be on track when there were no delivery issues relating to schedule, budget or resourcing which impacted implementation of the action item.

Acknowledging that different relationships are enhanced in different ways, including increased complexity of activities, enhanced transparency, and new or improved legislative frameworks guiding cooperation, Defence measures the implementation of agreed, Defence-led outcomes from 2+2 ministerial meetings as a primary indicator of progression in our bilateral relationships.

38 2024 National Defence Strategy, page 45.

Key activity 6:
Deliver future capability.

Performance measure 6.1
Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the National Defence Strategy.

Target 6.1a
80 per cent or more of approved Integrated Investment Program projects by domain are on track to deliver the scope approved by Government.

(Achieved)

Target 6.1b
80 per cent or more of approved Integrated Investment Program projects by domain are on track to deliver within the schedule approved by Government.

(Substantially achieved)

Target 6.1c
80 per cent or more of approved Integrated Investment program projects by domain are on track to deliver within the cost (including contingency) approved by Government.

(Achieved)

Source
Portfolio Budget Statements 2024–25, Programs 2.2, 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 2.9, 2.10, 2.11, 2.13, 2.14, 2.15, 2.16

2024–28 Defence Corporate Plan (March 2025), page 27

Performance result
Substantially achieved

Analysis
Defence substantially achieved its intended performance against this measure in 2024–25, demonstrated by achievement of the targets relating to scope and cost (6.1a and 6.1c), and substantially achieving the target relating to schedule (6.1b).

To assess this measure, Defence identified the post-gate 2 projects within the Integrated Investment Program that had variances in their Government-approved scope, schedule, or cost during the 2024–25 reporting period, and were in the acquisition phase of the current One Defence Capability System.

Given the complexity of the Integrated Investment Program, it is inevitable that there were some variances in the Government-approved scope, schedule, or cost during the reporting period. This assessment did not include an analysis of anticipated changes to a project's scope, schedule, or cost that had not yet been formally agreed by Government by the end of the reporting period.

Additional detail is provided against the relevant targets, noting the tables for each target provide the percentage results for the specific domain. For this reason, the sum of the percentages in the tables does not equal the target results, which were calculated using the total number of post-gate 2 projects.

Target 6.1a – 80 per cent or more of approved Integrated Investment Program projects by domain are on track to deliver the scope approved by Government

This target was assessed as achieved, as 91.47 per cent (8.53 per cent negative variance) of projects were on track to deliver the scope approved by Government against the target of 80 per cent.

Domain	Negative variance by domain (%)	No. of projects with negative variance
Land	7.14	2
Maritime	22.73	5
Air	0	0
Cyber	33.33	3
Space	20	1
Enabling	0	0

For the reporting period, negative scope variances were caused by an increase to the original scope of the Pacific Patrol Boat Replacement program with additional recipient nations announced; system acceptance slippage due to delays in certification activities (Top Secret, Secret and United States Enterprise) for capability elements of the Joint Data Network, industry underperformance for Tactical Unmanned Aerial Systems and deviation of the ships within the approved project scope for Fleet Information Environment Modernisation.

Two projects had a change in the definition of their scope (minor change not impacting expected schedule or budget), which were approved by Government during the reporting period and therefore are not included in the calculation of negative variance for this target.

In instances where available data did not enable clear determination of the variance reason, results were defaulted to a negative scope variance.

Target 6.1b – 80 per cent or more of approved Integrated Investment Program projects by domain are on track to deliver within the schedule approved by Government

This target was assessed as substantially achieved, as 72.87 per cent (27.13 per cent negative variance) of projects were on track to deliver within the schedule approved by Government against the target of 80 per cent.

Domain	Negative variance by domain (%)	No. of projects with negative variance
Land	17.86	5
Maritime	22.73	5
Air	45.83	11
Cyber	11.11	1
Space	40	2
Enabling	26.83	11

During the reporting period, Defence submitted some schedule variances through the Integrated Investment Program Bi-Annual Updates, seeking Government approval to amend project schedule milestones. Two Bi-Annual Updates were submitted to Government during the reporting period.

Through the Bi-Annual Updates, a total of 38 projects sought Government approval for a delay to their schedule, averaging 28.3 months. Of the 38 projects that sought Government approval to delay a milestone, 20 projects were seeking to delay milestones that were within the reporting period, with an average deferral of 15 months. Where Government approved adjustment of the schedule milestone prior to the date of the milestone passing, no variance has been assessed for this target. Where the milestone had passed and Government approval was sought after the milestone date, the project was assessed as having a negative variance.

Three projects sought Government approval during the reporting period to accelerate their schedule, averaging 19 months acceleration.

Of the 129 projects assessed, 40 projects had one (or more) schedule milestones within the reporting period, and all projects had one or more schedule milestones outside the reporting period. In instances where the project schedule milestone was outside of the reporting period (for example, a schedule milestone of December 2025), this was not assessed for a variance for the purpose of this target, as the schedule variance will be assessed in the next reporting period. This means that any milestone that is outside the reporting period contributes to the assessment of being on track.

Of the projects that had one or more schedule milestones in the reporting period, 35 were identified as having a negative schedule variance. There were 10 projects that achieved one or more schedule milestone on (or before) the milestone date during the reporting period.

Target 6.1c – 80 per cent or more of approved Integrated Investment program projects by domain are on track to deliver within the cost (including contingency) approved by Government

This target was assessed as achieved, as 99.22 per cent (0.78 per cent negative variance) of projects were on track to deliver within Government-approved costs against the target of 80 per cent.

Domain	Negative variance by domain (%)	No. of projects with negative variance
Land	0	0
Maritime	0	0
Air	0	0
Cyber	0	0
Space	0	0
Enabling	2.44	1

When seeking Government approval for project budgets, a cost model is provided that breaks down the deliverables in the project and the cost of each component. A real cost increase occurs where the project has to seek additional funds to deliver against the agreed scope. A real cost decrease may occur if the project is able to deliver against the agreed scope for a lesser amount. Budget adjustments (generally enacted through the Bi-Annual Update) related to schedule or scope variances do not change the total cost of the project as agreed by Government.

During the reporting period, there was one real cost increase, resulting in one project with a negative cost variance. Increased cost to deliver the approved works for the HMAS *Watson* redevelopment was related to the significantly higher cost for subcontracts due to competition in the Sydney construction market, remediation of unanticipated ground contamination and hazardous materials, and schedule impacts due to heritage assessment requirements.

Approval may be sought from Government to adjust annual project budget profiles through Bi-Annual Updates to align with contemporary estimates of schedule/deliverables as detailed in the following table. Throughout the reporting period, the budget profiles for projects varied by $2,269 million (net).

Generally the adjustment of budget occurred when a project identified alternate delivery timeframes. The adjustment of budget may have aligned to the variance in a schedule or scope milestone, but this was not necessarily always the case, as they may align to a sub-component of the milestone (for example, a specific contract deliverable).

Bi-Annual Update	No. of projects	Value ($ million)
MYEFO 2024–25	122	-1,371
PBS 2025–26	113	-899

Additional budget adjustments may have occurred in the reporting period for new approvals and foreign exchange adjustments.

Rationale

The 2024 Integrated Investment Program sets out the specific capabilities the Government will invest in to deliver an integrated, focused force and achieve the six key capability effects described in the 2024 National Defence Strategy. This measure demonstrates Defence's progress towards delivering capability acquisition projects in accordance with the Government-agreed scope, schedule and cost, by assessing variation in these factors between the start and end of the reporting period. The Government-agreed scope reflects the right future capability, and the Government-agreed schedule reflects the capability at the right time.

As the five capability domains (maritime, land, air, space and cyber) are central to Defence's transition to an integrated, focused force, Defence includes the breakdown of performance by domain to report against this measure. An additional domain to report on enabling projects is included for the purpose of reporting against this measure.

Due to the release of the 2024 National Defence Strategy and 2024 Integrated Investment Program in April 2024, Defence has amended the reporting period for this measure to 1 April to 31 March. This enables Defence to report on performance over a rolling 12 month period from the release of the National Defence Strategy onwards.

Methodology and data sources

The assessment for 2024–25 acknowledges that any variances caused by the rebuilding of the Integrated Investment Program were finalised prior to the reporting period commencing (17 April 2024). For 2024–25, the reporting period was 17 April 2024 to 31 March 2025. This is to address the shortened reporting period for 2023–24 (1 July 2023 to 16 April 2024) and account for completeness of reporting on all available data. For forward years, the reporting period will be 1 April – 31 March and has been amended to suit end of financial year reporting deliverables and timeframes.

In accordance with the One Defence Capability System, Defence uses the Integrated Investment Program Bi-Annual Update to advise Government on the department's financial performance and portfolio level considerations, including project delivery milestone and other capability requirement changes.

To report against this measure, Defence assessed project scope, schedule and cost at the end of the reporting period to determine whether each project was on track to deliver the scope, schedule and cost approved by Government at the start and during the reporting period.

A negative scope variance occurs when the project did not achieve the scope as agreed by Government, including where there has been additional requirements, slippages or achievement of a lower number of elements to Government-endorsed scope.

A negative schedule variance occurs when the project has failed to meet the Government-approved timeframes for key milestones, including where Government agreement to vary the specified timeframe is received after the milestone due date. A negative cost variance occurs when there has been a real cost increase for a project during the reporting period.

Percentages for targets were rounded to whole percentage for assessing the level of achievement. Each target was assigned a score on the basis that achieved equals three points, substantially achieved equals two points, partially achieved equals one point, and not achieved equals zero points. The assessments of the three targets were combined to provide the overall performance against the measure.

Assessment criteria

The overall performance assessment was determined by calculating the average of the three targets against the below criteria.

Achieved: Average score was three points.

Substantially achieved: Average score was between two and less than three points.

Partially achieved: Average score was between one and less than two points.

Not achieved: Average score was between zero and less than one point.

Key activity 7:
Develop the sovereign defence industrial base required for our national security.

Performance measure 7.1

Defence strengthens the sovereign defence industrial base across critical industrial capabilities.

Target 7.1a

80 per cent or more of the Defence Industry Development Grant Program budgeted allocation is awarded.

(Achieved)

Target 7.1b

Defence supports Australian defence industry in international markets. This is demonstrated by an increase in the number and value of exports by Australian suppliers supported by the Global Supply Chain and Team Defence Australia programs.

(Partially achieved)

Target 7.1c

Defence direct economic contribution to the Australian economy. This will be demonstrated by the percentage of Defence's contribution compared to the previous year.

(Achieved)

Target 7.1d
Defence drives investment in innovation, science and technology to deliver against defence priorities as set by Government.

(Partially achieved)

Target 7.1e
Percentage of Defence's contracts to Indigenous enterprises to meet the annual portfolio targets as calculated by the National Indigenous Australians Agency to comply with the Indigenous Procurement Policy.

2024–28 — Australian Government annual targets for volume and value.

(Achieved)

Target 7.1f
Defence supports the development of the domestic manufacture of guided weapons, explosive ordnance and munitions to deliver against defence priorities as set by Government.

(Substantially achieved)

Source
Portfolio Budget Statements 2024–25, Programs 2.1, 2.3, 2.9, 2.13

2024–28 Defence Corporate Plan (March 2025), page 28[39]

Performance result
Substantially achieved

Analysis
Defence substantially achieved its intended performance against this performance measure in 2024–25, demonstrated by achieving three targets (7.1a, 7.1c and 7.1e), substantially achieving one target (7.1f), and partially achieving two targets (7.1b and 7.1d) in the measure. Defence continues to contribute to Australian prosperity through the inclusion of Australian businesses and enterprises in supply chains for capability and services.

Target 7.1a – 80 per cent or more of the Defence Industry Development Grant Program budgeted allocation is awarded
The Defence Industry Development Grants program (the program) is an Australian Government initiative to strengthen Australia's defence industry. The program provides the necessary investment support for small-to-medium sized Australian businesses operating in the defence sector. It seeks to grow defence industry capabilities, capacity and security posture over time and directly contributes to the strengthening of the sovereign defence industrial base.

During the reporting period, the Defence Industry Development Grant Program achieved its target of awarding over 80 per cent of the Defence Industry Development Grant Program budgeted allocation. The Defence Industry Development Grant Program awarded 98 grants valued at $33.81 million. This represents 81.75 per cent of the allocated budget in 2024–25 ($41.36 million)[40].

39 Performance measure 7.1 was amended via the *2024–28 Defence Corporate Plan* (March 2025 update).
40 GrantConnect reports for grant opportunities 6891, 6892, 6896 and 6902 list all awarded for the Defence Industry Development Grant Program.

Target 7.1b – Defence supports Australian defence industry in international markets. This is demonstrated by an increase in the number and value of exports by Australian suppliers supported by the Global Supply Chain and Team Defence Australia programs

Defence supports Australian defence industry companies in international markets through the Global Supply Chain and Team Defence Australia programs. In 2024–25, the total value of exports by Australian companies who participated in these programs was $3,398,939,609. Whilst the total value of exports for 2024–25 has decreased from 2023–24 ($3,988,714,959) the total number of Australian defence industry companies supported by the Global Supply Chain and Team Defence Australia programs to export has increased from 334 in 2023–24, to 339 in 2024–25. As only one of the indicators increased, this target was partially achieved for the reporting period (achieved being where both indicators increased for the reporting period).

Team Defence Australia is the national platform for export-capable Australian defence and dual-use companies to showcase their goods, services, technologies and solutions at international trade events. In 2024–25, 12 international trade shows for the Team Defence Australia program were held across India, Indonesia, Japan, Malaysia, Norway, Poland, the United Arab Emirates, the United Kingdom and the United States, with 225 Australian defence and dual use companies participating. Through the program, participants were provided with senior military support and advocacy, briefings, networking and event space to showcase their goods, services, technologies and solutions.

The Global Supply Chain Program assists in increasing the number of Australian suppliers and export opportunities within the global supply chains of major defence companies, called primes. In partnership with global supply chain primes, the program aims to find, advocate and provide contract opportunities to competitive Australian suppliers, to enter and persist in the primes' global supply chains. In July 2024, the Government announced the expansion of the program, from seven to 13 primes. Capabilities being sought through the 13 primes include capabilities for the maritime, land, air, space and cyber domains.

Defence has reported on the number of companies exporting as well as the value of the exports to determine performance against this target. Defence considers that this approach provides a more meaningful way to assess performance in alignment with the performance measure, particularly as the growth of the number of companies supported by Defence's industry export programs is an indicator of an increased sovereign industrial base. This change is also reflected in the 2025–26 performance information and will therefore provide the opportunity for comparison over time commencing with the 2025–26 performance statements.

Target 7.1c – Defence direct economic contribution to the Australian economy. This will be demonstrated by the percentage of Defence's contribution compared to the previous year[41]

Defence made a significant contribution to the Australian economy in 2023–24, which increased from Defence's contribution during the previous reporting period. The Australian defence industry contributed $11.9 billion in gross value added to the Australian economy in 2023–24, growing by 12.43 per cent or $1.3 billion from the previous year. This resulted in a performance result of achieved for the reporting period, against the target to achieve an increase of 1.5 per cent or more compared with the previous reporting period.

41 The 2024–25 reporting of Defence's contribution to the Australian economy is based on prior year data i.e. 2023–24 gross value added.

The table below identifies the defence industry gross value added[42] to the Australian economy according to the Australian Bureau of Statistics Australian Defence Industry Account released on 16 April 2025. Professional, scientific and technical services ($5.4 billion) and manufacturing ($2.0 billion) continued to make the largest contributions to the Australian defence industry. Throughout the reporting period, the growth in these two divisions had the largest impact to the percentage of gross value added to the Australia economy, accounting for 66 per cent of total growth. The main contributors at the subdivisional level driving growth were professional, scientific and technical services (29.1 per cent), computer system design and related services (16.3 per cent) and transport equipment manufacturing (13.0 per cent). Employment in the Australian defence industry grew by 9.1 per cent in 2023–24, reaching a total of 69,400 people.

2022–23 Gross value added	2023–24 Gross value added	Result (%)
$10.6 billion	$11.9 billion	12.43

Target 7.1d – Defence drives investment in innovation, science and technology to deliver against defence priorities as set by Government

Defence invests in innovation, science and technology to deliver against the priorities set by Government, including to ensure the ADF is properly equipped and prepared to defend Australia in a technology-dominated world. By supporting the efforts of Defence, industry and academia, these investments strengthen the research and innovation capabilities of Australia's sovereign industrial base. This aims to generate emerging and disruptive technologies, create asymmetric advantage and accelerate the delivery of minimum viable capabilities needed to achieve the Defence mission.

During the reporting period, Defence invested 2.26 per cent of its overall expenditure in innovation, science and technology, which represents a partially achieved result for the target (where partially achieved was between 2 per cent and less than 2.5 per cent for the reporting period, and achieved was 3 per cent or more for the reporting period). The partial achievement reflects a reduction in expenditure by the Advanced Strategic Capabilities Accelerator program, reflecting the lower funding profile as the former Next Generation Technologies Fund and Defence Innovation Hub are being wound down and new missions are launched. The reduction in total innovation, science and technology expenditure is concurrent with an increase in total Defence expenditure.

In the next reporting period, Defence will continue to evolve its approach to innovation, science and technology in line with the National Defence Strategy to ensure the level and management of investments deliver capabilities that enhance the operational effectiveness of the ADF, introduce advanced technologies and provide asymmetric advantage.

Target 7.1e – Percentage of Defence's contracts to Indigenous enterprises to meet the annual portfolio targets as calculated by the National Indigenous Australians Agency to comply with the Indigenous Procurement Policy

During the reporting period, Defence achieved this target by exceeding both the Indigenous procurement number and value targets as set out below.

42 Gross value added is the standard indicator to assess the contribution of an industry or sub-sector to the broader economy. It reflects the direct economic impact of defence activities, such as manufacturing, construction, and professional services, which are critical to a capable and resilient industrial base. Gross value added measurement also helps track the building of a competitive and innovative industrial base by providing a quantitative and standardised economic metric to compare the defence industry sector's gross value added with the total economy's gross value added growth.

Defence awarded at least 3 per cent of Defence's contracts to Indigenous enterprises to meet the portfolio target set by the National Indigenous Australians Agency:

	Target	Result
Defence Portfolio	760	4,157
Department of Defence	760	1,206

Defence awarded at least 2.25 per cent of the value of eligible procurements to Indigenous enterprises:

	Target	Result (GST inclusive)
Defence Portfolio	$320,107,884	$832.5 million
Department of Defence	$320,107,884	$797.5 million

Defence's performance against the Indigenous procurement targets can be attributed to:

- proactive communication and committed leadership by Defence's Indigenous champions and dedicated Indigenous Procurement Policy team;
- embedding the requirements of the Indigenous Procurement Policy into Defence's accountable authority instructions and procurement systems; and
- the expansion of Indigenous business participation across the Defence estate, and increased awareness and understanding of Indigenous engagement.

Target 7.1f – Defence supports the development of the domestic manufacture of guided weapons, explosive ordnance and munitions to deliver against defence priorities as set by Government

Target 7.1f is a new target for the 2024–25 reporting period, added to this measure following the release of the Australian Guided Weapons and Explosive Ordnance Plan in October 2024. The domestic manufacture of guided weapons, explosive ordnance and munitions is one of Defence's sovereign defence industrial priorities, identified for targeted industrial development to meet Australia's national security requirements into the future.

The memorandum of understanding[43] between Australia and the United States for the Guided Multiple Launch Rocket System missiles represents an important first step towards domestic manufacture. It supports development of skills, knowledge and expertise in the Australian workforce required to manufacture more complex guided weapons, such as the precision strike missile, and hypersonic missiles in future. Manufacturing the Guided Multiple Launch Rocket System in Australia will build industrial base integration with the United States by developing and exercising the processes and arrangements necessary for manufacturing approvals and transfer of technical data down to the component level.

This target was substantially achieved during the reporting period as the memorandum of understanding was signed within three months of the target timeframe of December 2024. Delays to signing of the memorandum of understanding were largely a result of staffing and administrative changes following the United States presidential election, and dependent on the timely agreement of the five partner nations that were involved in the original development of the Multiple Launch Rocket System.

The delayed signature of the memorandum of understanding does not correlate in a direct manner to delays in the schedule of projects supported by the memorandum of understanding. Defence is focused on project delivery, and therefore interested in the material effect caused by delays in the signing of the memorandum of understanding.

43 The memorandum of understanding between the United States and Australia is a non-binding agreement that serves as a formal document outlining understandings and common goals between the two nations on the domestic manufacture of Guided Multiple Launch Rocket System missiles.

Signing the memorandum of understanding within three months of the target timeframe will not materially impact delivery of the subprogram.

The manufacture of Guided Multiple Launch Rocket System missiles in Australia commencing in 2025 represents an important step toward establishing domestic missile manufacturing on a large scale. For 2025–26, Defence will report against the commencement of domestic manufacture for this target.

Rationale

The 2024 National Defence Strategy states that a sovereign defence industrial base is vital for developing higher levels of military preparedness and self-reliance. Defence's sovereign defence industrial base is defined as all businesses with an Australian-based industrial capability providing products or services used in, or which can be adapted to be used in, the Defence supply chain and an international defence force supply chain.

The Defence Industry Development Strategy establishes the framework and principles for developing the sovereign defence industrial base required to meet national security requirements. This includes: tailoring grants to grow industrial capabilities in areas of strategic priority; providing a range of support to Australian defence industry for exports; industrial prioritisation to develop a capable, resilient, competitive and innovative industrial base; supporting innovation to maintain a technological edge and develop the asymmetrical technologies needed by Defence; contributing to Defence's whole-of-nation approach by supporting Indigenous procurement; and collaborating with trusted international partners to develop critical industries[44].

Defence has identified and assessed performance against six key areas where Defence supports the development of the sovereign defence industrial base:

- contribution to strengthening of the sovereign defence industrial base in priority areas through awarding Defence grants to Australian businesses in areas of strategic priority;
- support to defence industry exports through providing support to Australian defence businesses in international markets;
- direct economic contribution to the Australian economy through Defence activities such as manufacturing, construction and professional services, which are critical to a capable and resilient industry base;
- investment in the national innovation, science and technology enterprise to enable the rapid adaptation, development and adoption of technologically advanced military capabilities into service;
- procurement through Indigenous businesses by identifying opportunities for increasing Defence's indigenous procurement commitments; and
- supporting the development in the industrial capabilities required to deliver domestic manufacture of guided weapons, explosive ordnance and munitions – developing critical technology required to support Defence's national security interests.

Methodology and data sources

Target 7.1a

To report against this target, Defence assessed how much of the Defence Industry Development Grants Program budgeted allocation was awarded to small and medium enterprises, to calculate the percentage allocated for the reporting period.

44 Defence Industry Development Strategy, pages 4, 15, 28, 31, 74 and 79.

Target 7.1b
To report against this target, Defence assessed the number of companies exporting and value of exports by Australian companies supported by the Global Supply Chain and Team Defence Australia programs using totals calculated by Austrade using Australian Border Force data. To obtain the total value of exports for the reporting period, Austrade aggregated the total value of defence and commercial goods exported out of Australia in 2024–25 by Team Defence Australia participants and Global Supply Chain supplier companies.

Target 7.1c
To report against this target, Defence reported on the defence industry contribution to the Australian economy as calculated by the Australian Bureau of Statistics for the Australian Defence Industry Account experimental estimates. As the data for the relevant reporting period is not available until the following April, Defence reported against the 2023–24 data for the 2024–25 reporting period.

Target 7.1d
To report against this target, Defence reported the financial investment in innovation, science and technology as a proportion of the total Defence budget.

Target 7.1e
To report against this target, Defence calculated the percentage of Defence's contracts awarded to Indigenous enterprises to meet the portfolio targets for the value and number of contracts set by the National Indigenous Australians Agency.

Target 7.1f
To report against this target, Defence used the timeframe for the guided weapons and explosive ordnance finalisation of the memorandum of understanding with the United States Government scheduled for December 2024, to deliver the co-assembly of Guided Multiple Launch Rocket System missiles in Australia.

Each target was assigned a score on the basis that achieved equals three points, substantially achieved equals two points, partially achieved equals one point, and not achieved equals zero points.

Assessment criteria

The overall performance assessment was determined by calculating the average of the six targets against the below criteria.

Achieved: Average score was three points.

Substantially achieved: Average score was between two and less than three points.

Partially achieved: Average score was between one and less than two points.

Not achieved: Average score was between zero and less than one point.

Key activity 8:

Defence supports improved regulatory performance, capability and culture through regulatory stewardship in line with the Government's commitment to Australian Public Service reform.

Performance measure 8.1

Defence improves regulatory performance and capability through the finalisation of export permit applications within benchmark timeframes and reduction of export permits to the United States and United Kingdom facilitated via the AUKUS licence-free environment.

Target 8.1a

Defence will finalise the approved export permit applications within benchmark timeframes (15 days for non-complex applications; and 35 days for complex applications).

(Partially achieved)

Target 8.1b

Defence processes fewer permits each year in total to the United States and United Kingdom since the introduction of the AUKUS licence-free environment (from 1 September 2024).

(Achieved)

Source

2024–28 Defence Corporate Plan (March 2025), page 28[45]

Performance result

Substantially achieved

Analysis

During the 2024–25 reporting period, Defence Export Controls continued to deliver on its mandate as the Commonwealth regulator facilitating the responsible movement of Defence-related goods, technology and services both within and outside Australia.

On 1 September 2024, the *Defence Trade Controls Amendment Act 2024* commenced, reshaping Australia's export control regime in two major ways:

- a licence-free environment was established for most military and dual-use goods and technology transferred between Australia, the United States and United Kingdom; and
- three new offences relating to the supply of defence and strategic goods list technology, with criminal penalties coming into effect after a six-month grace period (on 1 March 2025).

Defence substantially achieved its intended performance against this measure. As reflected against the two targets, this was demonstrated through timely processing of export permit applications, and significantly reducing the number of permits issued to Australia, the United States and United Kingdom following the introduction of the AUKUS licence-free environment (Australia can be listed on permits as a destination to indicate goods are returning following export, including for maintenance or repair).

45 Key activity 8 and performance measure 8.1 were added via the *2024–28 Defence Corporate Plan* (March 2025 update).

The overarching assessment of this performance measure is based on an average score from the two targets.

The assessment of the targets was undertaken using Defence Export Controls' data sourced from the My Australian Defence Exports system, which is used to process and assess permit applications.

Target 8.1a – Defence will finalise the approved export permit applications within benchmark timeframes (15 days for non-complex applications; and 35 days for complex applications)

The finalisation of export permit applications is Defence Export Controls' core regulatory service delivery function. Based on the assessment criteria, which averages individual scores against the respective timeframes, this target is assessed as partially achieved for the reporting period (achieved being where the percentage of applications processed within corresponding benchmark timeframes was between 90 and 100 per cent).

From 1 July 2024 to 30 June 2025, an average of 73.45 per cent of export permit applications were processed within benchmark timeframes. Over this period, 69.51 per cent of complex applications were processed within a 35 day timeframe, with 77.38 per cent of non-complex applications processed within a 15 day timeframe. Further detail regarding complex and non-complex applications is provided in the methodology section.

Complexity	Applications processed within corresponding benchmark timeframe (%)
Complex (35 days)	69.51
Non-complex (15 days)	77.38
Average	**73.45**

Processing times were impacted by a range of factors. In line with Australia's export control framework, a complex and evolving geopolitical landscape has required rigorous third-party consultation to inform robust risk assessments, particularly for complex applications. Defence continues to assess all permit applications on a case-by-case basis, and considered advice from stakeholders can take time to develop.

There has also been a sustained increase in the average number of permit applications received since the beginning of the calendar year. This is possibly due to the enforcement of the new *Defence Trade Controls Amendment Act 2024* offences from 1 March 2025 (six months since the *Defence Trade Controls Amendment Act 2024* commenced). These new offences have also required the development of corresponding permits, adding further complexity to Defence's assessment process.

The benchmark timeframes are also informed by investments in ICT and resources, and reforming business practices to enhance Defence Export Controls' service delivery.

Target 8.1b – Defence processes fewer permits each year in total to the United States and United Kingdom since the introduction of the AUKUS licence-free environment (from 1 September 2024)

The AUKUS licence-free environment aims to accelerate technological and industrial cooperation amongst Australia, the United Kingdom and the United States for our collective strategic benefit, including by removing certain permit requirements.

Defence Export Controls has engaged extensively across government, industry, higher education and research sectors, as well as with individuals, to implement the *Defence Trade Controls Amendment Act 2024* successfully. In the year since its implementation:

- 936 users have enrolled in the AUKUS authorised user community (to access Australian AUKUS exemptions only) via the licence-free environment;
- more than 470 Australian businesses have received export licencing exemptions with the United States and the United Kingdom;
- more than 1,000 notifications of intent to export using the licence-free environment have been lodged; and
- almost $130 million (AUD) in AUKUS licence-free exports to the United States and the United Kingdom have been facilitated.

By removing licencing requirements for the transfer of most military goods and technology between AUKUS partners, the AUKUS licence-free environment supports Australia's economic prosperity by enabling industry and academia to conduct business and advance research.

Defence achieved this target as it is projected to process 73.44 per cent fewer permits to AUKUS countries following the introduction of the AUKUS licence-free environment, against a target of processing between 70 and 90 per cent fewer permits for the reporting period. The target compares the volume of permits issued to AUKUS partners before and after its introduction.

Due to the AUKUS licence-free environment being established in September 2024, the measurement for the current reporting period is the actual number of permits processed over 10 months, plus 20 per cent. This adjustment has been factored in to allow a like-for-like 12-month comparison of permits processed against the pre-AUKUS arrangement. In future reporting cycles, the measurement will be based on the actual number of permits processed over the 12 month period.

The AUKUS licence-free environment does not eliminate all permit requirements. Permits between AUKUS partners are still required for items on the Excluded Technologies List and the Australian Military Sales Program.

	Number of permits processed between Australia, the United States and United Kingdom
2023–24	994
2024–25 (projected)	264
Reduction in permits processed (%)	**73.44**

Defence's approach to regulatory practice has assisted regulated entities understand and use the AUKUS licence-free environment. This has resulted in a marked reduction in permits issued for Australia, the United States and United Kingdom during the reporting period. This reduction demonstrates a broader understanding by regulated entities of the opportunities created by the AUKUS licence-free environment to streamline and accelerate technology cooperation.

Rationale

Defence Export Controls is the Commonwealth regulator for the responsible movement of Defence-related goods, technology and services both within and outside Australia. Defence Export Controls supports stakeholders from government, industry, higher education and research sectors, and private individuals to meet their obligations under Australia's export control laws. It plays a fundamental role in ensuring Australia upholds its international obligations through participation in a series of multilateral non-proliferation and export control regimes.

The targets under this measure demonstrate Defence's commitment to continuous improvement and building trust by meeting public benchmark timeframes, and undertaking its function using a risk-based and data driven approach through a reduction in regulatory burden through the AUKUS licence-free environment.

Methodology and data sources

Target 8.1a

To report against this target, Defence calculated the percentage of export permit applications finalised within public benchmark timeframes for the reporting period. As the complexity of export permit applications varies depending on a number of factors, the benchmark timeframe is 15 days for non-complex applications, and 35 days for complex applications.

Defence Export Controls categorises export permit applications into "complex" and "non-complex" categories during their assessment. While these terms are not formally defined, this proportionate, risk-based approach informs the subsequent assessment process for an application. Broadly, applications categorised as non-complex are routine in nature and pose relatively lower risk than those categorised as complex. Complex applications are subjected to a more thorough risk assessment process. The categorisation also indicates the public benchmark time to finalise an application (15 working days for non-complex applications, 35 working days for complex applications).

Target 8.1b

To report against this target, Defence demonstrated implementation of the AUKUS licence-free environment through a reduction in the number of permit applications processed each year in total to the United States, United Kingdom and Australia. Defence calculated the percentage reduction in export permits processed to the United States or United Kingdom (or both countries) since 1 September 2024. The percentage was used to determine the level of achievement using the below criteria.

Both targets were assigned a score on the basis that achieved equals three points, substantially achieved equals two points, partially achieved equals one point, and not achieved equals zero points.

Assessment criteria

The overall performance assessment was determined by calculating the average score of the two targets against the below criteria.

Achieved: Average score was three points.

Substantially achieved: Average score was between two and less than three points.

Partially achieved: Average score was between one and less than two points.

Not achieved: Average score was between zero and less than one point.