

Part 1: Agency Financial Resourcing

Appropriations Framework

An appropriation is a legal entitlement to draw money from the Consolidated Revenue Fund (CRF). Appropriations are either annual appropriations or special appropriations. Annual appropriations are contained in the annual Appropriation Acts. Special appropriations are contained in other Acts.

The CRF is a concept established in section 81 of the Constitution to represent all Commonwealth money. All revenues or moneys raised or received by the Executive Government of the Commonwealth, or any person or organisation acting on behalf of the Commonwealth, automatically form part of the CRF. This includes for example taxes, charges, levies, borrowings, loan repayments and moneys held on behalf of others or in trust. Money automatically forms part of the CRF upon receipt, regardless of whether the money is deposited in a bank account.

Section 83 of the Constitution provides that no money shall be drawn from the Treasury of the Commonwealth except under an appropriation made by law (the 'Treasury' of the Commonwealth equates to the CRF). Section 81 provides that appropriations from the CRF must be applied for expenditure of the Commonwealth. Together, sections 81 and 83 provide that before money may be spent there must be an appropriation, made by law, for the purposes of the Commonwealth. These requirements for an appropriations framework safeguard the constitutional control by the Parliament over Australian Government spending.

The appropriations and expenditure framework for agencies in the Australian Government is based on the accounting concept of control. Where an agency has substantial control, the related appropriation and expenditure is classified as *departmental* and where an agency does not have control, expenditure is classified as *administered*. This classification is unique to government and is not used elsewhere in the Australian economy and is in accordance with the Australian Accounting Standard AASB 1050 *Administered Items*. Whether an agency has *administered* or *departmental* control over resources is based largely on the level of discretion the agency has in using those resources.

Departmental appropriations are available to meet expenditure over which an agency has substantial control and are typically used for agency operational expenditure, such as for employees and supplier expenses. *Administered* appropriations are administered by an agency on behalf of the government for the benefit of, or payment to, parties who are external to the agency and not part of the internal operations of that agency.

Administered appropriations are typically used for expenditure such as government grants, subsidies and obligations that arise from legislated eligibility rules and conditions. Further information on the appropriations framework can be found on the Finance website.

Machinery of Government Changes

The term ‘machinery of government changes’ (MoG changes) describes a variety of organisational or functional changes affecting the Commonwealth. MoG changes often arise from amendments to the Administrative Arrangements Order (AAO) following a Prime Ministerial decision to abolish or create a department or to move functional responsibilities between agencies.

Since the 2025–26 Budget, there have been a number of AAO amendments and other Government decisions resulting in the following MoG changes:

The following entities were renamed:

- the Department of Health and Aged Care was renamed the Department of Health, Disability and Ageing
- the Department of Infrastructure, Transport, Regional Development, Communications and the Arts was renamed the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts.

The following entities were created:

- the Defence and Veterans’ Services Commission
- the Australian Naval Nuclear Power Safety Regulator
- the Australian Centre for Disease Control.

The following entity was abolished:

- the Australian National Preventive Health Agency.

The following functions and entities have transferred:

- responsibility for law enforcement policy and operations transferred from the Attorney-General’s Department to the Department of Home Affairs
- the Australian Federal Police, Australian Security Intelligence Organisation, Australian Crime Commission (also known as the Australian Criminal Intelligence Commission), Australian Institute of Criminology, and the Australian Transaction Reports and Analysis Centre transferred from the Attorney-General’s portfolio to the Home Affairs portfolio
- responsibility for bankruptcy, personal property securities and consumer credit reporting transferred from the Attorney-General’s Department to the Department of the Treasury, and the Australian Financial Security Authority transferred from the Attorney-General’s portfolio to the Treasury portfolio

- responsibility for the National Disability Insurance Scheme and Foundational Supports, and policy and services for people with disability (other than policy and services to help people with disability obtain employment) transferred from the Department of Social Services to the renamed Department of Health, Disability and Ageing
- the National Disability Insurance Agency, the NDIS Quality and Safeguards Commission and Hearing Australia (also known as Australian Hearing Services) transferred from the Social Services portfolio to the renamed Health, Disability and Ageing portfolio
- responsibility for housing, rental and homelessness policy transferred from the Department of Social Services to the Department of the Treasury
- responsibility for land and planning policy and cities and urban policy transferred from the renamed Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts to the Department of the Treasury
- responsibility for construction industry policy and regulation transferred from the Department of Industry, Science and Resources to the Department of the Treasury
- responsibility for sport and recreation policy and functions transferred from the renamed Department of Health, Disability and Ageing to the renamed Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts
- the Australian Sports Foundation, Sports Integrity Australia and the Australian Sports Commission (also known as the Australian Institute of Sports) transferred from the renamed Health, Disability and Ageing portfolio to the renamed Infrastructure, Transport, Regional Development, Communications, Sport and the Arts portfolio
- responsibility for the delivery of the Indigenous Protected Areas Program transferred from the National Indigenous Australians Agency to the Department of Climate Change, Energy, the Environment and Water
- the Net Zero Economy Authority transferred from the Prime Minister and Cabinet portfolio to the Industry, Science and Resources portfolio
- responsibility for the delivery of services and payments relating to social security, health and other government services and whole-of-government service delivery policy, including Services Australia, transferred from the Social Services portfolio to the Finance portfolio

The AAO documents and further information on AAOs can be found on the website of the Department of the Prime Minister and Cabinet, or on the Federal Register of Legislation.

For information on how MoG changes impact on portfolios, refer to the *2025–26 Portfolio Additional Estimates Statements* and the *2026–27 Portfolio Budget Statements* of relevant portfolios.

Advance to the Finance Minister

The Advance to the Finance Minister (AFM) provisions under the annual Appropriation Acts enable urgently required allocations to be issued to entities during the financial year. Allocations are made through a determination by the Minister for Finance up to a statutory limit in the annual Appropriation Acts.

2025–26 Appropriation Acts

In 2025–26, AFM provisions totalling \$1 billion were available for urgent and unforeseen expenditure (\$400 million in *Appropriation Act (No.1) 2025–2026* and \$600 million in *Appropriation Act (No. 2) 2025–2026*). The 2025–26 Appropriation Acts replicate the AFM provisions included in the 2025–26 Supply Acts. Following the commencement of the 2025–26 Appropriation Acts, the AFM provisions in the Supply Acts were no longer available for allocation.

At the time of publication, no AFMs have been issued under the 2025–26 annual appropriation Acts.

2025–26 Fuel Security Response Appropriation Acts

The 2025–26 Fuel Security Response Appropriation Acts commenced on 1 April 2026 and contain an AFM provision totalling \$2 billion (\$800 million in *Appropriation (Fuel Security Response) Act (No. 1) 2025–2026* and \$1,200 million in *Appropriation (Fuel Security Response) Act (No. 2) 2025–2026*).

The \$2.0 billion AFM is in addition to the \$1.0 billion standing AFM provisions included in the 2025–26 Appropriation Acts. Both AFM provisions are available until the end of 2025–26 (30 June 2026).

This \$2 billion AFM provision is available for fuel security and related purposes only. Access to the AFM is limited to:

- Department of Industry, Science and Resources;
- Department of Agriculture, Fisheries and Forestry;
- Department of Climate Change, Energy, the Environment and Water;
- Department of the Treasury;
- Department of Foreign Affairs and Trade; and
- Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts.

At the time of publication, no AFMs have been issued under the 2025–26 Fuel Security Response Appropriation Acts.

2026–27 Appropriation Bills

Once enacted, the 2026–27 Appropriation Bills (Nos. 1 and 2) will include two separate AFM provisions totalling \$6 billion. These comprise:

- \$5 billion for fuel security response related expenditure (\$2 billion in Appropriation Bill (No. 1) 2026–2027 and \$3 billion in Appropriation Bill (No. 2) 2026–2027).
- \$1 billion for other urgent expenditure not currently contemplated (\$400 million in Appropriation Bill (No. 1) 2026–2027 and \$600 million in Appropriation Bill (No. 2) 2026–2027).

The expanded AFM provisions will ensure the Government maintains necessary flexibility to address urgent and unforeseen fuel security response and related expenditure requirements that may arise in 2026–27.

An AFM would be available to entities listed in schedules to the 2026–27 Budget Bills, including all entities receiving appropriations through the Bills, provided the entity satisfied the statutory requirements.

Further information on AFMs allocated in prior years can be found on the Finance website.

Overview of Agency Resourcing Table

The Agency Resourcing Table presents a consolidated view of estimated Commonwealth public sector financial resources, which will be managed in the Budget year by agencies, that is, Commonwealth entities and Commonwealth companies subject to the *Public Governance, Performance and Accountability Act 2013*.⁵ The Agency Resourcing Table is organised by portfolio and agency, and by agency Outcome.⁶ Corporate Commonwealth entities are denoted by a * in the Agency Resourcing Table and Commonwealth companies are denoted by a #.

The Agency Resourcing Table differentiates the sources of funding, which are annual Appropriation Bills, External Revenue, Special Appropriations and Special Accounts. The amounts are classified into *departmental* and *administered* resourcing, except for special accounts, which can be classified as either or both. The Agency Resourcing Table includes inter-governmental transactions, which occur when one agency in the GGS pays another agency in the GGS for goods and/or services. To eliminate inter-governmental transactions would not accurately represent the financial resources managed by a particular agency.

Amounts in the Agency Resourcing Table can be matched with amounts in the annual Appropriation Bills, Special Appropriations Table and Special Accounts Table. Examples are in Figures 1 to 4 of the section entitled *Guide to Resourcing Tables*.

Appropriations for corporate entities, shown as *administered* in the annual Appropriation Bills, are regarded as *departmental* funding when received by the corporate entities. This is consistent with accounting and reporting requirements and shown as such in the Agency Resourcing Table.

5 The total amounts in the Agency Resourcing Table cannot be used to calculate consolidated Commonwealth financial resources. This is because they do not include Public Financial Corporations, Public Non-Financial Corporations and the Australian National University. These are public corporations that typically operate in the commercial sphere, are not in the GGS, and are mostly self-funded. Further information on the nature and classification of agencies can be found in the *Flipchart of PGPA Act Commonwealth entities and companies*, which is available on the Finance website.

6 The text of the approved Outcomes which apply to each agency is set out at *Appendix A: Agency Outcome Statements*.

The column headed *External Revenue* in the Agency Resourcing Table presents income received from sources that are not appropriated by Parliament to the agency, including amounts received from other government agencies, individuals, and non-government bodies. In large part, these amounts are for the provision of services.

The column headed *Special Accounts* in the Agency Resourcing Table shows estimated amounts to be credited to one or more special accounts. This column presents estimated income expected from other government agencies, individuals and non-government bodies. This column is located between the *departmental* and *administered* sides of the Agency Resourcing Table because depending on the legislated purposes of a special account, the resources may be used for *departmental* and/or *administered* expenditure. It is consistent with amounts presented in the *Receipts (non-appropriated)* column of the Special Accounts Table.

The Agency Resourcing Table includes only those special appropriations and special accounts that have been established in law at the time of publication. The Agency Resourcing Table and Special Accounts Table exclude moneys held by an agency on trust for a person other than the Commonwealth. These amounts are not considered resourcing available to the agency, as they are not held on account of the Commonwealth and are not for the use or benefit of the Commonwealth.