



Australian Government

Department of Climate Change, Energy,
the Environment and Water

Submission to the Senate Environment and Communications References Committee's Inquiry into Australian Antarctic Division Funding

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Executive Summary

The Department of Climate Change, Energy, the Environment and Water (the Department) thanks the Environment and Communications References Committee for its invitation to provide this submission to the inquiry into the current management of the funding of the Australian Antarctic Division (the Division).

The Department provides the following response in relation to the Committee's terms of reference.

a) revelations that the AAD is pursuing cuts worth roughly 16% of its operating budget;

The Department has known (based on the forward estimates in previous Portfolio Budget Submissions) about the reduction in available funding for the 2023-24 financial year, due to the lapsing of a temporary budget supplement provided in 2022-23 for the commissioning of the RSV *Nuyina*. Additionally, all divisions within the Department have had budgets reduced in response to two core department-wide funding requirements. The Department recognises that over the forward estimates additional budget measures increase, and these continue every year for the forward estimates.

Communications to staff within the Division about the process to confirm budget arrangements for the 2023-24 financial year were part of the increased transparency and consultation with staff committed to in the Department's response to the *Independent Review of Workplace Culture and Change at the Australian Antarctic Division* undertaken by organisational cultural consultant Leigh Russell (the Russell Review).

b) the direct and indirect impacts of cuts to public funding of Australia's Antarctic activities, including on full-time, part-time and contract AAD jobs;

While the Division has a reduced budget in the 2023-24 financial year, the forward estimates show a growth in funding in the following years.

The final affordable staffing numbers for the Division will be contingent on the internal budget build and prioritisation process that is underway. As the Division goes through the standard process of prioritising spending within allocated budgets, we will review any non-ongoing employment contracts.

The Department will focus on delivering its priorities and will consider whether work being performed by non-ongoing employees and contractors can be delivered by appropriately skilled ongoing APS staff. Where work undertaken by non-ongoing staff is determined as an ongoing priority, the Department will look to resolve positions through running open and transparent recruitment processes to maximise certainty for staff. The focus will be on finding areas where work performed by non-ongoing employees and contractors can be undertaken by ongoing staff within appropriate workload design.

c) the ramifications for Australia's international commitments and obligations;

The Department will continue to advance Australia's national interests, including upholding the Antarctic Treaty system, and maintaining Antarctica's freedom from strategic and political confrontation. We will continue to meet international commitments and obligations in relation to the Antarctic Treaty, the Convention on the Conservation of Antarctic Marine Living Resources (CCAMLR), the Environment Protocol to the Antarctic Treaty, and the Agreement for the

Conservation of Albatross and Petrels. (ACAP) and the International Whaling Commission (IWC).

- d) the internal compilation of a list of at least 56 existing projects, programs and research activities that could be cut and/or terminated;*

Internal planning processes provide an indication of projects that may or may not be supported in Antarctica for the 2023-24 Antarctic season. This initial assessment is based on strategic prioritisation and operational assessment of deliverability that considered the Australian Antarctic Program logistics footprint for the season. Any list of projects includes any that could be undertaken in Antarctica, prior to any assessment of deliverability in the 2023-24 season. Those not being supported have not been cut or terminated, they may be sequenced for Antarctic support in later years, in line with Australia's Antarctic priorities. This process of prioritisation is normal and occurs every year.

- e) the extent of the Albanese Government's involvement in, and response to, these cost-cutting plans;*

The reduction in funding for the 2023-24 financial year is due to the known lapsing budget measure to support the commissioning of the RSV *Nuyina*, and to a lesser extent, two core department-wide budget funding demands, including the known Whole of Australian Government saving measure from the October 2023-24 Budget – *Savings from External Labour, and Savings from Advertising, Travel and Legal Expenses*.

- f) the consequences of funding cuts to Australia's Antarctic program for our country's geopolitical and strategic international interests;*

The Department will continue our strong international engagement in the Antarctic Treaty system and with our bilateral partners, as outlined in the *Australian Antarctic Strategy and 20 Year Action Plan*.

- g) complications that the proposed \$25 million worth of cuts will cause for the full delivery of the Australian Antarctic Science Strategic Plan, the Australian Antarctic Strategy, the 20-year Action Plan, and the extra \$804.4 million Antarctic funding package delivered by the Morrison Government in early 2022;*

The Department will continue to deliver on government's long-term Antarctic objectives. The 2023-24 season will support several projects related to those objectives, including:

- The Million Year Ice Core project (Casey Station) to use the past climate record to understand present and future climate.
- A major multidisciplinary scientific field campaign at the Denman Glacier to assess glacier melt and potential impacts on sea level rise.
- The Australian Antarctic Mapping Program (Macquarie Island Station) project to support Australia's leadership in the Antarctic region through enhanced mapping and charting
- A range of long-term monitoring projects, including for Emperor Penguins and flying seabirds (Davis and Mawson Stations), to deliver evidence-based science to assess resilience and support environmental management.

- Ship and station-based sea ice monitoring and observations that contribute to long term data sets on status and trends of sea ice distribution.
- h) the widespread view, including among numerous Antarctic science experts, that funding cuts of this scale and nature are catastrophic for Australia.*

The Australian Antarctic Science Program is designed to be agile to accommodate a range of variables that can impact the delivery of science outcomes. This may include the availability of logistics, personnel or necessary equipment to undertake proposed activities.

The Division works closely with the scientific community to develop multiple contingencies and multi-year projects to ensure that prioritised science activities are supported within the given constraints on a season-by-season basis. This includes field-based activities that require logistical support but also the laboratory and institutional based work, that forms the majority of science activity undertaken to deliver the Australian Antarctic Science Program. The program has a comprehensive forward program of scientific endeavour including major field campaigns and marine science activities that are consistent with forward budget projections.

- i) any other related matters.*

The Department's full submission follows.

Australia in Antarctica

Australia has a proud history in Antarctica and has long been one of the world's leading Antarctic nations. For over a century, since the Australasian Antarctic Expedition (1912-14) led by Sir Douglas Mawson, Antarctica has occupied a unique place in Australia's national identity. Australia has sovereignty over 42 per cent of the Antarctic continent – the Australian Antarctic Territory.

Australia was a key architect of, and one of the 12 original signatories to, the 1959 Antarctic Treaty. The Treaty is the cornerstone agreement of the Antarctic Treaty system which includes the Protocol on Environmental Protection to the Antarctic Treaty and the Convention on the Conservation of Antarctic Marine Living Resources. The Antarctic Treaty system provides a strong international governance framework and establishes Antarctica as a natural reserve devoted to peace and science. Key principles include freedom of scientific investigation, free exchange of scientific information, protection of the positions of Antarctic Treaty Parties on the issue of sovereignty, and the non-militarisation of Antarctica and the Southern Ocean.

Australia's support for, and commitment to the stability of, Antarctica and the Antarctic Treaty system remains a priority for Australia. Through our history of involvement in the Antarctic Treaty system, our ongoing physical presence and scientific research, we continue to be a leading and influential player in the cooperative management of Antarctica.

Australia's national interests in Antarctica are articulated in the *Australian Antarctic Strategy and 20 Year Action Plan* (updated in 2022). These interests are to:

- Maintain Antarctica's freedom from strategic and/or political confrontation
- Preserve our sovereignty over the Australian Antarctic Territory, including our sovereign rights over adjacent offshore areas
- Support a strong and effective Antarctic Treaty system
- Conduct world-class scientific research consistent with national priorities
- Protect the Antarctic environment, having regard to its special qualities and effects on our region
- Be informed about and able to influence developments in a region geographically proximate to Australia
- Foster economic opportunities arising from Antarctica and the Southern Ocean, consistent with our Antarctic Treaty system obligations, including the ban on mining and oil drilling.

The Role of the Department

The Department is responsible for delivering Australia's Antarctic Program, as well as protecting and managing the external territory of Heard Island and the McDonald Islands, operating the sub-Antarctic research station on Macquarie Island on behalf of the Tasmanian Government, and managing aspects of Australia's other activities in the Southern Ocean and sub-Antarctic region.

The Department's activities in Antarctica deliver the Climate Change, Energy, the Environment and Water Portfolio's Portfolio Budget Statements' Outcome 3: to advance Australia's

environmental, scientific, strategic and economic interests in the Antarctic region by protecting, researching and administering the region, including through international engagement. The Department works closely with the Department of Foreign Affairs and Trade (DFAT), the Department of Defence and other government agencies to pursue Australia's national interests in Antarctica.

The Department's Australian Antarctic Division has responsibility for leading and coordinating the Australian Antarctic Program.

The Australian Antarctic Program

The Australian Antarctic Program functions within a high capital operating and maintenance environment to support the delivery of Australia's national interests in Antarctica. The Australian Antarctic Division manages a diverse range of assets, spread between its headquarters in Kingston in Tasmania, Macquarie Wharf in Hobart, and the Antarctic continent and sub-Antarctic, comprising:

- Three permanent Antarctic research stations: Casey (1969), Mawson (1954) and Davis (1957)
- Wilkins Aerodrome (2004) operating as a summer-only station and its associated airfield infrastructure
- A fourth permanent research station on sub-Antarctic Macquarie Island (1948)
- Australia's Antarctic icebreaker, the RSV *Nuyina*, which will provide world-leading scientific capability and is the central platform of our Antarctic and Southern Ocean research.

The Australian Antarctic Program is supported by shipping - provided primarily by the RSV *Nuyina* - and an aviation service to and within Antarctica centred around the Wilkins Aerodrome. This infrastructure and logistics network underpins Australian activities in Antarctica and provides Australia with a strong presence in the region, which places us at the forefront of international engagement in Antarctica.

Working in Antarctica is challenging because of the remoteness, the harsh conditions and the limited opportunity to travel to the continent mainly during the summer months. Operations are routinely disrupted by weather and ice conditions and the annual program of activity is constantly adjusted to respond to environmental factors. In this context the Division uses the summer months to optimise the supply of stations with food, fuel and equipment and personnel to sustain the station population for 12 months. Throughout the year our Antarctic expeditioners maintain and repair our stations and deliver world-leading science.

The Australian Antarctic Program supports and is supported by the activities of other Commonwealth government agencies and departments, including the Australian Research Council, the Bureau of Meteorology, ARPANSA, the Commonwealth Scientific and Industrial Research Organisation, the Department of Defence, DFAT, the Department of Industry, Science and Resources, Geoscience Australia and the National Offshore Petroleum Safety and Environmental Management Authority. The Australian Antarctic Division provides logistics support for the conduct of all activities undertaken in Antarctica by the Australian Antarctic Program.

- For example, the Division supports the Bureau of Meteorology's observational and research activities in Antarctica which inform forecasting services for the whole of the

Australian continent. In turn, the Bureau of Meteorology provides forecasting support for the operational and research activities undertaken through the Australian Antarctic Program.

The Department supports the development of Hobart as a leading Antarctic gateway - an important economic opportunity for Tasmania. The Division is considered a major contributor to the Antarctic industry in Tasmania, with approximately 60% of the Division's budget flowing into the Tasmanian economy through salaries and wages, goods and services and capital expenditure. Contracts associated with barges to support the icebreaker, the rebuilding of Macquarie Island station and the provision of vehicles for the inland traverse have been provided to Tasmanian businesses. The Department also has a close relationship with the Tasmanian Government for the ongoing operation of the Macquarie Island research station, part of the State of Tasmania.

Antarctic Science

Science is at the heart of the Antarctic Treaty system and Australian Antarctic Program. Australia delivers world-class science which supports our knowledge of Antarctica, Australia and the global climate system. This work underpins our commitment to uphold Australia's significant strategic interests in the region and our commitment for action on climate change. Australia is highly regarded for its contribution of regional data and expertise to fill knowledge gaps in global assessments, including in Intergovernmental Panel on Climate Change processes.

The Antarctic and Southern Ocean region is the engine room for global weather and climate and has far-reaching influences on oceanic and atmospheric circulation. Scientific research in the region informs us about our past and present climate and informs us of the nature, extent and consequences of future climate change. It also supports scientifically informed management, protection and conservation of the region itself.

The Australian Antarctic Division leads, manages and coordinates Australia's Antarctic Science Program. The science program brings together researchers from across Commonwealth agencies (including the Department, Geoscience Australia, CSIRO, ARPANSA and ANSTO) and national and international universities and research institutions.

The Antarctic Science Program is critical to meeting legislative and regulatory requirements as well as international treaty requirements and obligations, including under the Antarctic Treaty system (including the Commission for the Conservation of Antarctic Marine Living Resources), the Agreement for the Conservation of Albatrosses and Petrels, the Scientific Committee on Antarctic Research, the International Whaling Commission, and Comprehensive Nuclear Test Ban Treaty.

The Antarctic Science Program is focused on key themes of:

- climate science (including atmospheric research; sea ice; ice sheets and sea level; and ice core past climate),
- Southern Ocean ecosystems (including research to inform sustainable fisheries management and non-lethal whale research),
- environmental stewardship (including environmental protection and remediation of legacy waste and contamination), and

- long term observational and monitoring programs critical to our understanding of change and adaptation of species such as penguins and flying seabirds.

These programs are underpinned by effective data management and integration and the development of innovative technologies. Research is supported by experimental design (including bespoke scientific equipment), field work, data and sample collection, observations, laboratory analysis, data synthesis and modelling. The science program supports projects that have been rigorously assessed and represent scientific excellence in methodology, operational feasibility and alignment to the Government's priorities outlined in the Australian Antarctic Science Strategic Plan.

In 2023-24 the Division is supporting 42 science projects (both in Antarctica and Australia) including projects led by the Division, the Australian Antarctic Program Partnership funded under the Antarctic Science Collaboration Initiative and two major programs funded by the Australian Research Council under the Excellence in Antarctic Science Special Research Initiative.

The upcoming 2023-24 season will focus on continuing two large, complex and multi-year field programs of climate research, both of which focus on analysing the impacts of climate change:

- Million Year Ice Core project – We are supporting a 1200km traverse to retrieve an Antarctic ice core, as part of the Million Year Ice Core Project. This is one of the most ambitious and challenging scientific projects yet undertaken in Antarctica. This ice core will allow scientists to study a million-year record of the Earth's climate, to determine the cause of changes in ice age cycles and understand future climate change. The upcoming 2023-24 season will see drilling begin to retrieve ice cores to a depth of approximately 150 metres. Ultimately, by 2027-28 we plan to collect cores to a maximum depth of 2.8km.
- Denman Terrestrial Campaign – We have established a deep field camp in the Bunger Hills, approximately 450km west of Casey Station, for a collaborative scientific program studying the Denman Glacier. This glacier is vulnerable to climate change and holds a potential global sea level rise of 1.5 metres on its own. Over the upcoming season, the camp will accommodate 27 scientists from the Australian Antarctic Division, the Australian Centre for Excellence in Antarctic Science, Securing Antarctica's Environmental Future and the Australian Antarctic Program Partnership. Research will focus on understanding the risk of ice mass loss on timescales from the next few decades to centuries, and responses of biodiversity to climate and environmental change. This research will inform national and global decision making on climate change and deliver on priorities outlined in the Australian Antarctic Science Strategic Plan.

The 2023-24 season will see the first full season of operations for the *RSV Nuyina* – Australia's state-of-the-art icebreaker launched in 2021. The *RSV Nuyina* has been designed to support advanced scientific research over its 30-year lifespan.

- The ship hosts four permanent scientific laboratories and can accommodate an additional 24 containerised laboratories for specialised research projects.
- It contains a 'moon pool' which provides scientists with direct access to the ocean through the hull of the ship, allowing the deployment of numerous deployments (e.g. submersibles) even when the ship is surrounded by ice.

- It also contains a world's first watertight room or 'wet well' system, to process seawater at up to 2500 litres per minute, allowing underwater biological samples to be captured from deep below and around the ship without damaging the specimens in the process, 24/7 without the requirement to stop the vessel.
- Other state-of-the-art scientific equipment includes a suite of modern acoustic instruments located within the hull and on drop keels to map and visualise the sea floor and organisms in the water column, and instruments to measure the atmosphere,, wave heights and ice conditions.
- These capabilities have since enabled the mapping of an underwater mountain taller than Mount Kosciuszko and the discovery of a deep canyon 2200 metres below sea level in the Southern Ocean.

Australia's International Commitments and Obligations

Australia is a leader on Antarctic issues and in the Antarctic Treaty system. The Department works closely with DFAT in its engagement with other countries.

The Australian Antarctic Program is highly collaborative, comprising partnerships across government and with more than 150 national and international research institutions. Together, these partnerships contribute to advancing Australia's national interests in Antarctica and the Southern Ocean. In 2023-24, 135 researchers from 21 countries other than Australia are collaborating in science projects included in the Australian Antarctic Science Program.

Upholding the Antarctic Treaty system, advocating for Australia's national interests, and maintaining Antarctica's freedom from strategic and political confrontation is at the centre of Australia's international engagement in the Antarctic.

Strong international engagement demonstrates our commitment to the Antarctic Treaty system and to preserving Antarctica as a place devoted to peace, science, and environmental protection. Australia's ongoing engagement in the Antarctic Treaty system and across our bilateral relationships complements the investments in Antarctic science and logistics capability outlined in the *Australian Antarctic Strategy and 20 Year Action Plan*.

Effective engagement with other nations is fundamental to advancing Australia's national interests in Antarctica, and practical collaboration with other nations is important in ensuring the safety of operations and in undertaking and supporting scientific research, given the challenging environment and scale of Antarctica.

International commitments

The Department is responsible for leading and closely supporting Australia's engagement in the Antarctic Treaty system and related international forums, including:

- engagement in the Antarctic Treaty Consultative Meeting on a range of strategic, environmental, scientific and operational issues, in support of DFAT as the lead agency
 - cooperation in scientific research, science support, policy and management with other nations active in Antarctica, consistent with Australia's national interests

- support for peaceful use and non-militarisation, and the fundamental provisions of international agreements, including through inspection activities under the Antarctic Treaty, its Protocol on Environmental Protection, and the Convention on the Conservation of Antarctic Marine Living Resources
- leading Australia's engagement in the Committee for Environmental Protection established under the Protocol on Environmental Protection to the Antarctic Treaty
- delivery, through the Australian Antarctic Program, of environmental protection and management research in support of Australian engagement
 - meeting our Protocol on Environmental Protection obligations through best practice conduct of activities in Antarctica, and improved environmental performance of Australian facilities
 - progressing clean-up of sites of past activities including waste sites and disused facilities, consistent with the Protocol's clean-up requirements
- international cooperation in scientific investigation in Antarctica
 - AAD-facilitated science and science support activities involve significant international collaboration (bilateral and multi-Party), including on globally significant climate and cryosphere research questions and Southern Ocean research
 - making a significant contribution to Australia's engagement in the international Scientific Committee on Antarctic Research
- leading Australia's engagement in the Commission for the Conservation of Antarctic Marine Living Resources (CCAMLR) and its Scientific Committee
 - promoting the conservation of Antarctic marine living resources, consistent with Australia's Antarctic national interests
 - building support for a representative system of Marine Protected Areas, including the proposed East Antarctic Marine Protected Area.
- ecosystem-based management of fisheries in the Southern Ocean, drawing on the Division's fisheries management and ecosystem research.
- leading Australia's engagement in the International Whaling Commission and its Scientific Committee
 - ensuring the Commission remains the global authority for the conservation and management of whales and other cetaceans.
 - ensuring that the global moratorium on commercial whaling is maintained.
 - ensuring existing commercial whaling operations do not expand and do not cause the decline of whale populations.
 - ensuring that Commission members who conduct Aboriginal Subsistence Whaling remain in the Commission and First Nations people have an effective voice in the organisation.
 - promoting non-lethal cetacean research.

- leading Australia's engagement in the forums of the Agreement on the Conservation of Albatrosses and Petrels
 - cooperation in scientific research, science support, policy and management with other range states in the conservation of albatrosses and petrels
 - development of best practice advice and guidelines for seabird bycatch mitigation in fisheries, and for the protection and remediation of breeding colonies on land.
- leading Australia's engagement in the Council of Managers of National Antarctic Programs
 - Providing effective and collaborative operations and logistics activities to support science undertaken by the Australian and other national Antarctic programs.
- leading Australia's bilateral engagement on Antarctic policy, science, operations matters,
 - advancing broader international bilateral relationships that align our international activities with relevant Government policies and strategies and that maximise Australia's international influence and leadership in the Antarctic
 - coordinating engagement through international activities and bilateral meetings and formal Memoranda of Understanding with other Parties/countries (which provides a framework for broader scientific, technological, logistical or other project collaboration).
- working with DFAT and utilising whole-of-government engagement.

Australia's formal obligations arising from these agreements are implemented through domestic legislation. As a leader in Antarctic international affairs, Australia places a high priority on adherence to Antarctic international agreements, and ensures activities conducted by and administered by the Division meet these obligations.

The Division has responsibility for administering Antarctic related environmental legislation implementing international legal obligations for Australians and Australian-organised Antarctic activities (both those conducted by Government, and non-Government entities).

Specifically, the Protocol on Environmental Protection requires that all proposed Antarctic activities are subject to prior assessment of their impacts on the Antarctic environment and on dependent or associated ecosystems. The *Antarctic Treaty (Environment Protection) Act 1980* and associated regulations implement this obligation and must be complied with for all proposed Australian activities.

Australian Antarctic Division Funding

The Department's available departmental appropriation for 2023-24 is \$1,004 million¹. This amount is to cover the delivery of all initiatives, programs, projects, and outcomes of the Department.

Outcome 3 Appropriation

The Department's 2023-24 Portfolio Budget Statements (PBS) shows the notional splits of appropriation across the Department's outcomes. This is set at Budget time and provides an indication of the estimated departmental resources required to achieve the outcome. The Department's annual report at the end of that financial year then provides a reconciliation of actual expenditure used to deliver the outcome against the notional split. The PBS also provides forward estimates for three years.

The Division's activities, together with a proportion of the Department's Enabling Services Group, are funded under Outcome 3. An extract of the Outcome 3 table is shown below in Table 1.

Table 1: PBS 2023-24 - Budgeted Expenses for Outcome 3

Table 2.3.1: Budgeted expenses for Outcome 3

Outcome 3: Advance Australia's environmental, scientific, strategic and economic interests in the Antarctic region by protecting, researching and administering the region, including through international engagement.

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 3.1: Contribute to Australia's national Antarctic interests through science, environmental management and international engagement, including delivering Australia's scientific research and operations in Antarctica and the Southern Ocean.					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)					
Antarctic Science Collaboration Initiative (a)	-	5,000	5,000	5,000	5,000
Expenses not requiring appropriation in the Budget year (b)	12	12	12	12	12
Administered total	12	5,012	5,012	5,012	5,012
Departmental expenses					
Departmental appropriation	206,671	192,102	209,256	217,206	224,183
s74 External Revenue (c)	12,000	6,000	4,000	4,000	4,000
Expenses not requiring appropriation in the Budget year (b)	84,266	85,579	86,919	88,285	88,285
Departmental total	302,937	283,681	300,175	309,491	316,468
Total expenses for Outcome 3	302,949	288,693	305,187	314,503	321,480

	2022-23	2023-24
Average staffing level (number)	650	822

(a) Program transferred from the Department of Industry, Science and Resources from 1 July 2023.

(b) Expenses not requiring appropriation in the Budget year are made up of departmental supplementation, depreciation and amortisation expenses, audit fees and an approved operating loss.

(c) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.

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

¹ Refer Page 23, Table 1.1: Department of Climate Change, Energy, the Environment and Water resource statement — Budget estimates for 2023-24 as at Budget May 2023.

As also shown here, the Division receives a small component of administered funding - \$5.0 million in the Budget year and across the forward estimates, for the Antarctic Science Collaboration Initiative. This was a direct transfer of responsibility for the administration of the Australian Antarctic Partnership Program from the Department of Industry, Science and Resources (through the 2022 Machinery of Government changes).

The Committee should note that for 2022-23, the transfer of resources through the Machinery of Government changes, had a part-year effect with only 10/12ths of the appropriation and ASL for 2022-23 shown in the department's 2022-23 PBS. The 2022-23 adjusted ASL would be around 780 ASL.

Funding Measures underpinning the Antarctic Program

The Australian Government has invested significantly in Antarctica. This includes the additional \$804.4 million over ten years to strengthen Australia's strategic and scientific capabilities in the Antarctic region and support activities set out in the *Australian Antarctic Strategy and 20 Year Action Plan* (2022 update) which was appropriated following the 2022-23 October Budget.

In addition to new activities, this funding included provision for core program activities and the continuation of some lapsing funding measures to maintain ongoing sustainable operations (e.g., Australia's inland Antarctic traverse transport, science and technology personnel to operate RSV *Nuyina* and critical charting activities).

Table 2 below then shows a breakdown of Departmental Appropriation funding into budget measures for Program 3.1.

Table 2: Departmental Appropriation Funding by Measures for Program 3.1

	2022-23	2023-24	2024-25	2025-26	2026-27
	\$'000	\$'000	\$'000	\$'000	\$'000
Total Budget Measures for Program 3.1	216,827	202,907	220,440	228,781	235,758
Ongoing Measures	177,071	199,405	217,084	225,415	235,758
Program Base Funding (including indexation, efficiency dividends and savings)	76,023	84,437	89,759	91,491	96,484
Strengthening Australia's Leadership in Antarctica - Ongoing Component	50,876	63,074	75,298	81,436	86,300
Australia's Antarctic Icebreaker - Operate and Maintain	42,669	43,972	43,842	44,142	44,443
Antarctica Traverse	5,232	5,383	5,635	5,796	5,981
Maintaining Australia's Antarctic Infrastructure	2,271	2,539	2,550	2,550	2,550
Terminating Measures	39,756	3,502	3,356	3,366	-
Strengthening Australia's Leadership in Antarctica - Nuyina Commissioning	29,693	-	-	-	-
Strengthening Australia's Leadership in Antarctica - Terminating Component	2,640	3,502	3,356	3,366	-
Year Round Aviation Access	7,423	-	-	-	-

There was a reduction in funding to Outcome 3 between 2022-23 and 2023-24. The difference in total allocation between the 2022-23 and 2023-24 financial years is due in large part to the lapsing of a temporary budget supplement, provided in 2022-23 for the commissioning of Australia's icebreaker, the RSV *Nuyina*. This funding was in recognition of increased costs while RSV *Nuyina* was unavailable and the need for supplementary shipping. The impact of this measure is a reduction of funding of \$29.693 million for Outcome 3. The impact of this termination was offset by increases in other measures – increases that continue every year of the forward estimates. This reduction was expected, and was published in the Climate Change, Energy, the Environment and Water Portfolio's Portfolio Budget Statements 2022-23.

Internal Departmental budget allocations

The Department manages the departmental appropriation it receives to deliver all the Department's outcomes and programs, including providing enabling services to support those activities.

In developing individual divisional internal budget allocations within the departmental appropriation available, all divisional allocations have been reduced across the Department in response to two core department-wide funding requirements:

- \$27.639 million of savings relating to the Whole of Australian Government saving measure from the October 2023-24 Budget – *Savings from External Labour, and Savings from Advertising, Travel and Legal Expenses*, and
- a requirement for additional funding for enabling services in the Department.

These department-wide funding requirements were applied to all divisions on a pro-rata basis. In applying this change, the Department excluded the fixed shipping and fuel element of the Division's budget (estimated at \$51.0 million for 2023-24) from the application of the funding requirements so as to not disproportionately impact the Division's discretionary funding.

In formulating the budget for the Division, the Department took account of the lapsing budget measure for supplementary shipping and the other impacts outlined above. The impact of these elements is shown in the table below.

Table 3 – Impacts on 2023-24 Australian Antarctic Division internal budget

Table 3	2023-24 Impact
Impact of terminating Budget Measure – RSV Nuyina off-set by increases to range of Budget measures as per Table 2.	Less 13.920 million
Pro-rata impact of the Whole of Government savings for travel, contractors, consultancies, and legal.	Less 5.972 million
Internal Savings to support Enabling Services	Less 3.082 million
Total Impact on AAD Budget 2023-24	Less 22.974 million

The result of these changes was approximately \$23 million in the Division's total operational departmental budget (from \$222.4 million in 2022-23 to \$199.8 million in 2023-24, or 10%). If the fixed component of the Division's budget (\$74.7 million) is removed, the change represents 16% of the non-fixed budget. This excludes funding for the Antarctic Science Collaboration Initiative (\$5 million per year) and for capital (\$70.9 million in 2023-24). In 2023-24 the Division will administer appropriation of over \$ 275 million to directly support the Australian Antarctic Program.

Antarctic Season Planning and Prioritisation

The delivery of the Australian Antarctic Program involves prioritisation of activities which provide for safe operations and presence, delivery of infrastructure and equipment maintenance, supply and provisioning for stations and ships, and the delivery and support of science and other project activities in pursuit of Australia's national interests. Many projects require multi-year staging and significant advance planning to ensure that the necessary assets, cargo and personnel are available (or pre-positioned) for successful implementation.

The Division's investment in logistics and infrastructure supports science and other strategically important activities in Antarctica. The Division's budget is also spent on activities that are conducted in Australia, including at the Division's headquarters in Kingston, Tasmania. Salaries of staff comprise a significant component of the Division's budget, and Division staff – including scientists, engineers, technicians, policy experts and logistics planners – deliver key activities and projects from Australia.

Each season there is a finite limit on what can be achieved in Antarctica. This limit is influenced by constraints including availability of suitable transport (particularly shipping), station accommodation, water and fuel supply, the availability of skilled personnel, supply chain impacts and budget. A range of projects and programs that are not able to be done in Antarctica will continue work in Australia, including analysis of data, collation of data from alternative sources (such as utilisation of station-based staff with additional capacity) or planning for future campaigns.

Each year, the Division develops a season plan that identifies which activities will be supported in Antarctica within available Antarctic logistics and infrastructure over the summer operating season (October-April). Operational plans can change throughout the year in response to environmental factors (such as limits on access to stations) or unforeseen events (such as medical evacuations).

For the 2023-24 season a total of 71 projects were considered for strategic prioritisation and operational assessment. These projects are considered in the context of strategic importance, priority for delivery, budget and logistics availability.

Season planning is an iterative process, and due to a myriad of reasons – from changes to personnel availability, to changed cargo requirements, to weather and environmental factors – the supportability of projects is adjusted over the season.

Science to be delivered in 2023-24

The Department will continue to prioritise and achieve high quality and policy relevant science in Antarctica this season. Alongside continuing the Million Year Ice Core and Denman Terrestrial Campaign, the upcoming 2023-24 season has been designed to include: wildlife monitoring and population studies (penguins and flying seabirds), marine science (including krill studies and deployment and retrieval of moored instruments to automatically record data over the course of an entire year, e.g., marine mammal acoustics, krill swarming and migratory behaviour, video footage and imagery, current flows), sea level monitoring, ice sheet and sea ice measurements and observations, space weather and atmospheric monitoring, mapping (in collaboration with Geoscience Australia), waste management and contaminated site remediation, greenhouse gas and UV monitoring, glaciological studies, seismic monitoring, and airborne geophysical and oceanography studies.

The Department will also prioritise the science commissioning of the RSV *Nuyina*, to be completed by early 2024, to ensure this science platform is available to support science into the future.

Over the last several years there have been factors beyond the control of the Division that have limited the ability of the Division to support regular levels of activity. The 2020-21 and 2021-22 seasons were confined to sustainment only in an effort to keep COVID-19 out of Australia's Antarctic stations. Delays with the delivery and commissioning of the RSV *Nuyina* have also delayed the commissioning and full use of this advanced scientific capability. The Department recognises that projects have been impacted directly and indirectly by these factors.

Staffing and Culture

People are central to the Australian Antarctic Program. The integrated and cross-disciplinary capability and expertise in the Division's head office and at Australia's Antarctic and sub-Antarctic stations are wide-ranging and include skills in science, technicians, mechanics, medicine, engineering, operations and logistics, communications, policy and support services.

An Independent Review of Workplace Culture and Change at the Australian Antarctic Division by organisational culture consultant Leigh Russell (the Russell Review) was released in April 2023. The Russell Review found that there were workplace practices and behaviours and cultural leadership failures that led to workplace harm. The Russell Review also pointed to a range of governance issues and lack of connection between the Department and the Australian Antarctic Division that were contributing to harm. The Department agreed to implement all the findings of the Russell Review.

The Division has commenced an important governance uplift to re-set its accountability and decision-making arrangements. A Program Management Board was established in early 2023, focused on risk and strategic alignment. This work is ongoing and pivotal to ensuring a transparent and accountable decision-making framework, including on budget and planning matters.

Antarctic Division Staffing

The ASL allocated to Outcome 3 has increased over the past two years, from 780 ASL in 2022-23² (the published PBS number is a part-year figure due to the Machinery of Government changes) to 822 ASL in 2023-24.

The Division's current ASL is 552.6, noting that there is a high degree of seasonality in the Division's work – with influxes during the summer months as we service the Antarctic Season. The Division utilises fixed term contracts, particularly for Antarctic expeditioner employment and for specialist trades and scientists. Enabling staff also make up a portion of the total ASL for Outcome 3.

The final affordable staffing numbers for the Division will be contingent on the internal budget build and prioritisation process that is underway. The Division is being cautious with recruitment and with extension of non-ongoing staff as well as with the use of consultants and consultancies ahead of these decisions.

² The published PBS figure for ASL is a part-year number due to the Machinery of Government changes in 2022. 780 ASL represents an annualised full-year number.

In parallel the Division is working through the process of converting contractors to on-going roles where appropriate and resolving insecure work arrangements. This work is important to improve certainty for our staff and will also result in savings.

There have been no decisions made on staffing numbers, noting that staffing levels are subject to affordability. The Department is confident that it can use natural attrition and the natural ending of fixed term contracts to manage staffing numbers if there is a need to manage down staffing levels. There is no intention to use involuntary redundancies and no plans for voluntary redundancies at this time.

The Division continues to work with staff and the unions as we prioritise to meet our internal budgets.

Conclusion

The Department supports Australia's Antarctic Program in support of Australia's national interests as set out in the *Australian Antarctic Strategy and 20 Year Action Plan*. The Department will continue to support our presence in Antarctica, deliver world-leading science and meet our international obligations.

The Department acknowledges there is less funding for the Australian Antarctic Division in 2023-24, primarily the result of a terminating budget measure for the commissioning of the RSV *Nuyina*. However, just shy of \$200 million (\$199.8m) will be allocated to the Division (including the enabling services component) in 2023-24, with this budget due to increase every year across the forward estimates.

The Department will continue to work with Government, with staff and with international and domestic partners to maximise outcomes for Antarctica and continue to support our people, deliver world leading science and manage our infrastructure.