Australian Government
Department of Industry, Science and Resources
Defence

Business Grants Hub

Grant Opportunity Guidelines

Schools Pathways Program open competitive grant opportunity Round 2

Opening date:	**5 November 2026**
Closing date and time:	5.00 pm Australian Eastern Daylight Time on 2 December 2026 Please take account of time zone differences when submitting your application.
Commonwealth policy entity:	Department of Defence (Defence)
Administering entity:	Department of Industry, Science and Resources (DISR)
Enquiries:	If you have any questions, contact us on 13 28 46.
Date guidelines released:	5 November 2026
Type of grant opportunity:	Open competitive

Contents

1. Schools Pathways Program open competitive grant opportunity Round 2 processes 5

1.1. Introduction 6

2. About the grant program 6

2.1. About the Schools Pathways Program open competitive grant opportunity Round 2 7

3. Grant amount and grant period 8

3.1. Grants available 8

3.2. Project period 8

4. Eligibility criteria 9

4.1. Who is eligible to apply for a grant? 9

4.2. Additional eligibility criteria 9

4.3. Who is not eligible to apply for a grant? 9

4.4. What qualifications, skills or checks are required? 10

4.5. Specific legislation, policies and industry standards 10

4.5.1. Child safety requirements 10

5. What the grant money can be used for 11

5.1. Eligible grant activities 11

5.2. Eligible locations 12

5.3. Eligible expenditure 12

5.4. What the grant money cannot be used for 12

6. The assessment criteria 13

6.1. Assessment criterion 1 13

6.2. Assessment criterion 2 13

6.3. Assessment criterion 3 14

7. How to apply 15

7.1. Attachments to the application 16

7.2. Joint (consortia) applications 16

7.3. Timing of grant opportunity processes 17

7.4. Questions during the application process 17

8. The grant selection process 17

8.1. Assessment of grant applications 17

8.1.1. Value with relevant money 18

8.2. Who will assess applications? 18
8.3. Who will approve grants? 19
9. Notification of application outcomes 19
9.1. Feedback on your application 19
9.2. Further grant opportunities 19
10. Successful grant applications 19
10.1. The grant agreement 19
10.2. How we pay the grant 20
10.3. Grant Payments and GST 20
11. Announcement of grants 21
12. How we monitor your grant activity 21
12.1. Keeping us informed 21
12.2. Reporting 21
12.2.1. Progress reports 22
12.2.2. Ad-hoc reports 22
12.2.3. Final Report 23
12.3. Audited financial acquittal report 23
12.4. Grant agreement variations 23
12.5. Compliance visits 24
12.6. Record keeping 24
12.7. Evaluation 24
12.8. Acknowledgement 24
13. Probity 24
13.1. Enquiries and feedback 25
13.2. Conflicts of interest 25
13.3. Privacy 26
13.4. Confidential information 27
13.5. Freedom of information 27
14. Glossary 29
Appendix A. Eligible expenditure 36
A.1 How we verify eligible expenditure 36
A.2 Labour expenditure 36
A.3 Labour on-costs and administrative overhead 37
A.4 Contract expenditure 37

A.5 Travel expenditure 38
A.6 Other eligible expenditure 38
Appendix B. Ineligible expenditure 40

1. Schools Pathways Program open competitive grant opportunity Round 2 processes

The Schools Pathways Program is designed to achieve Australian Government objectives

This grant opportunity is part of the above grant program which contributes to the Department of Defence's Outcome 2 of the Defence Portfolio Budget Statement 2026-27: Protect and advance Australia's strategic interests through the provision of strategic policy, the development, delivery and sustainment of military, intelligence and enabling capabilities, and the promotion of regional and global security and stability as directed by Government. The Department of Defence works with stakeholders to plan and design the grant program according to the Commonwealth Grants Rules and Principles (CGRPs).

↓

The grant opportunity opens

We (DISR) publish the grant guidelines on business.gov.au and GrantConnect.

↓

You complete and submit a grant application

You complete the application form and address all of the eligibility and assessment criteria for your application to be considered for a grant.

↓

We assess all grant applications

We assess the applications against eligibility criteria and notify you if you are not eligible. We and Defence assess eligible applications against the assessment criteria including an overall consideration of value with relevant money and compare it to other eligible applications.

↓

We make grant recommendations

We provide advice to the decision maker on the merits of each application.

↓

Grant decisions are made

The decision maker decides which applications are successful.

↓

We notify you of the outcome

We advise you of the outcome of your application. We may not notify unsuccessful applicants until grant agreements have been executed with successful applicants.

↓

We enter into a grant agreement

We will enter into a grant agreement with successful applicants. The type of grant agreement is based on the nature of the grant and will be proportional to the risks involved.

↓

Delivery of grant

You complete the grant activity as set out in your grant agreement. We manage the grant by working with you, monitoring your progress and making payments.

↓

Evaluation of the Schools Pathways Program open competitive grant opportunity Round 2

The Department of Defence will evaluate the specific grant as a whole. We base this on information you provide to us and that we collect from various sources.

1.1. Introduction

These guidelines contain information for the Schools Pathways Program open competitive grant opportunity Round 2.

This document sets out:

- the purpose of the grant program/grant opportunity
- the eligibility and assessment criteria
- how we consider and assess grant applications
- how we notify applicants and enter into grant agreements with grantees
- how we monitor and evaluate grantees' performance
- responsibilities and expectations in relation to the opportunity.

This grant opportunity and process will be administered by the Department of Industry, Science and Resources (the department/DISR) on behalf of the Department of Defence (Defence).

We have defined key terms used in these guidelines in the glossary at section 14.

We administer the grant opportunity according to the *Commonwealth Grants Rules and Principles 2024*[1] (CGRPs). This includes applying the proportionality principle, which requires that we balance complexity, risk, outcomes and transparency when designing and delivering the grant opportunity. In determining program requirements, including selection criteria, grant agreement requirements, reporting obligations and payment arrangements, we consider the risks associated with the use and management of public resources and the effect of those requirements on applicants and grantees. This ensures that administrative and compliance requirements are proportionate to the level of risk, grant value and expected outcomes.

You should read this document carefully before you fill out an application.

2. About the grant program

The Schools Pathways Program informs young Australians about the varied pathways and career opportunities within defence industry, encouraging engagement in science, technology, engineering and mathematics (STEM) and defence industry careers.

The Schools Pathways Program is a key initiative of the 2026 Defence Industry Development Strategy.[2]

The 2026 Defence Industry Development Strategy contains targeted measures to grow Australia's sovereign defence industrial base, including practical steps to expand the defence industry workforce needed to support National Defence.

Many jobs in defence industry require STEM skills and experience. The Schools Pathways Program aims to grow the pipeline of skilled workers available for Australia's defence

[1] https://www.legislation.gov.au/F2024L00854/latest/text

2 2026 Defence Industry Development Strategy | About | Defence

industry now and into the future. We need more students studying STEM at school and continuing the journey to become STEM-qualified graduates, tradespeople and professionals. An ageing population amplifies the need to encourage innovative approaches to delivering defence industry career experiences, mentoring, networking opportunities and encouraging student participation in STEM activities and/or subjects to support future defence industry workforce needs.

Defence industry jobs are in businesses with an industrial capability used to provide products or services used in, or which can be adapted to be used in Defence supply chains and/or an international defence force supply chain. This includes businesses that deliver services that contribute to national security outcomes in addition to warfighting outcomes. In 2024-25, the Bureau of Statistics found that Australian defence industry continued to grow, added $12 billion to the Australian economy and employed 63,500 Australians.[3]

2.1. About the Schools Pathways Program open competitive grant opportunity Round 2

Schools Pathways Program open competitive grant opportunity Round 2 will run over four years from 2026-27 to 2029-30.

The aim of the grant opportunity is to inform young Australians about the varied pathways and career opportunities relevant to defence industry, encouraging engagement in Science, Technology, Engineering and Mathematics (STEM). The grant opportunity facilitates an understanding of the defence industry, provides access to defence industry career experiences, mentoring and networking opportunities, and encourages student participation in STEM activities and/or subjects. Projects under the grant opportunity can have national reach or specifically target the workforce needs of one or more critical defence industry hubs, such as the Hunter region of NSW, Cairns in North Queensland, and Edinburgh in South Australia.

The objectives of the grant opportunity are to:

- provide linkages and enhance work and career pathways for students into the Australian defence industry, and address specific skills gaps in defence industry capability
- expand the pool of skilled workers from which the Australian defence industry can recruit (including by supporting studies, experiences, and education endeavours in science, technology, engineering and mathematics for students).

The intended outcomes of the grant opportunity are:

- secondary school students, teachers and parents/caregivers have a knowledge of:
  - the defence industry
  - the skills required and the secondary and post-secondary pathways relevant to defence industry careers.
- secondary school students:
  - are connected with the defence industry and defence industry mentors

[3] Australian Defence Industry Account, experimental estimates". *Australian Bureau of Statistics*. Released 16 April 2025. https://www.abs.gov.au/statistics/economy/national-accounts/australian-defence-industry-account-experimental-estimates/2023-24

  - are interested in studying STEM subjects relevant to defence industry careers
  - have an aspiration to work in the defence industry.
- Secondary school teachers have the confidence to embed information about the skills, requirements, secondary and post-secondary pathways, and STEM career opportunities relevant to the defence industry into their teaching
- The Schools Pathways Program has participation of students from traditionally underrepresented groups[4].

3. Grant amount and grant period

3.1. Grants available

For this grant opportunity $23,043,000 is available over four years from 2026-27.

- The minimum grant amount is $200,000
- The maximum grant amount is $4,000,000.

You can only submit one application per eligible entity, identified by its ABN or ACN, under the grant opportunity. If you wish to apply for funding at multiple locations, your single application must encompass the activities that will take place at each location.

The grant amount will be up to 100 per cent of eligible expenditure.

You are responsible for the remaining eligible and ineligible project costs.

Indexation has been included in the funding for this grant opportunity and will be passed on to grantees. We will advise you formally in writing of the change to the grant agreement (for example through a notice of change) of the amount to be paid, what indexation factor, including the wage cost index, is being applied and when it will be paid.

We cannot fund your project if it's funded[5] or subsidised from another source - such as a private entity or Commonwealth, state, territory or local government grant - where the funding duplicates support for the project activities described in your application.

Where your organisation receives other funding, for related or linked activities, the obligations associated with the funding cannot conflict with meeting the objectives and outcomes of this program.

You can apply for a grant for your project under more than one Commonwealth program, but if your application is successful, you must choose either the Schools Pathways Program grant or the other Commonwealth grant.

3.2. Project period

You must complete your project by 31 March 2030.

[4] For the purposes of this grant opportunity a definition of traditionally underrepresented groups is provided in the glossary.

[5] Funding received from another entity is inclusive of gifts, donations, in-kind support and/or sponsorship.

4. Eligibility criteria

We cannot consider your application if you do not satisfy all eligibility criteria.

4.1. Who is eligible to apply for a grant?

To be eligible you must:

- have an Australian Business Number (ABN) or Australian Company Number (ACN)
- be registered for the Goods and Services Tax (GST)
- have an account with an Australian financial institution

and be one of the following entities:

- an entity, incorporated in Australia
- an Aboriginal and Torres Strait Islander Corporation registered under the *Corporations (Aboriginal and /or Torres Strait Islander) Act 2006*[6]
- an incorporated trustee on behalf of a trust
- an incorporated not for profit organisation or registered charity
- an Australian Commonwealth Corporate Entity.

Joint (consortia) applications are acceptable, provided you have a lead organisation who is the main driver of the project and is eligible to apply. For further information on joint applications, refer to section 7.2.

4.2. Additional eligibility criteria

We can only accept applications where:

- you provide evidence from your board (or chief executive officer or equivalent if there is no board) that the project is supported, and that you can complete the project and fund any costs not covered by grant funding
- you provide all mandatory attachments specified in Section 7.1.

We cannot waive the eligibility criteria under any circumstances.

4.3. Who is not eligible to apply for a grant?

You are not eligible to apply if you are:

- any organisation not included in section 4.1
- an organisation, or your project partner is an organisation, included on the National Redress Scheme's website on the list of 'Institutions that have not joined or signified their intent to join the Scheme'
- an employer of 100 or more employees that has not complied with the *Workplace Gender Equality Act (2012)*
- an overseas resident/organisation

[6] https://www.legislation.gov.au/C2006A00124/latest/versions

- an individual
- an unincorporated association
- an educational institution such as a secondary or primary school, inclusive of both private and public entities
- a Commonwealth, state, territory or local government body (excluding corporate commonwealth entities).

4.4. What qualifications, skills or checks are required?

If you are successful, all personnel working on the grant activity that involves interacting with youth, or designing and/or implementing activities must maintain the following relevant qualifications and/or experience to facilitate applicable STEM and vocational education activities with secondary students:

- Working with Children check
- Working with Vulnerable people registration, or equivalent, in the state or territory where your project is located.

If you are successful, all organisations participating as part of a grant application must maintain the following relevant registrations and checks including, but not limited to:

- registration with the Office of the Children's Guardian (NSW) or equivalent in the state or territory where it is located
- public liability, indemnity and workers compensation insurance.

4.5. Specific legislation, policies and industry standards

You must comply with all relevant laws, regulations and Australian Government sanctions in undertaking your project. You must also comply with the specific legislation/policies/industry standards that follow. It is a condition of the grant funding that you meet these requirements. We will include these requirements in your grant agreement.

4.5.1. Child safety requirements

You must comply with all relevant legislation relating to the employment or engagement of anyone working on the project that may interact with children, including all necessary working with children checks.

You must implement the National Principles for Child Safe Organisations[7] endorsed by the Commonwealth and abide by the requirements of Defence Youth Policy Manual[8]

You will need to complete a risk assessment to identify the level of responsibility for children and the level of risk of harm or abuse, and put appropriate strategies in place to manage those risks. You must update this risk assessment at least annually.

[7] https://www.humanrights.gov.au/our-work/childrens-rights/national-principles-child-safe-organisations

[8] A copy of the youth policy manual can be found at https://www.defenceyouth.gov.au/defence-youth-policy/defence-youth-manual/

You will also need to establish a training and compliance regime to ensure personnel are aware of, and comply with, the risk assessment requirements, relevant legislation including mandatory reporting requirements and the National Principles for Child Safe Organisations.

You will be required to provide an annual statement of compliance with these requirements in relation to working with children.

Working with Children checks and Working with Vulnerable people registration (or equivalent) must be in place for all employees, subcontractors and volunteers creating and implementing funded activities before they commence delivering activities under the grant agreement. We cannot waive the requirement of this criteria under any circumstances.

5. What the grant money can be used for

5.1. Eligible grant activities

Eligible activities must raise the awareness of defence industry and career pathways relevant to defence industry through vocational education activities (such as mentoring, site visits and work experience) and/or STEM educational experiences relevant to defence industry workforce requirements.

Activities can be facilitated in-person or by virtual means, including the use of augmented reality, virtual events or gamification.

All activities must be undertaken at no cost to participants, as a curricular or extra-curricular activity. Should activities be delivered by a third party, grantees must ensure that party does not apply any costs to participants.

Activities should be designed with the aim to broker engagement between defence industry and students. This should include establishing industry partnerships to support engagement through activities. Where grantees are unable to identify or engage with a suitable defence industry partner despite making reasonable efforts, they must contact BGH/Defence to seek support.

Eligible activities may include but are not limited to:

- STEM enrichment programs incorporating participation and mentoring opportunities for defence industry representatives (where able), and exposure to meaningful career pathways relevant to defence industry. This could include STEM design challenges, interactive workshops, competitions, immersive activities, and/or thematic project-based learning
- meaningful defence industry awareness activities that increase exposure to and raise awareness of defence industry career pathways and facilitate industry linkages including engagement activities such as careers fairs, outreach programs, work experience and/or site visits; or roadshows involving defence industry participation, parent information sessions, and/or information on meaningful career pathways into defence industry
- targeted professional development for teachers with the intent to improve:
  - an understanding of the defence industry

- an awareness and ability to work with defence industry representatives to provide immersive experience in STEM education including mentoring, networking and vocational education
- an awareness of vocational opportunities and study pathways for students within defence industry
- the facilitation of vocational education experiences with defence industry.

We may also approve other activities, any additional activities must be in line with objectives and outcomes in section 2.

5.2. Eligible locations

Your project can be delivered as part of a national program or target one or more areas. Your project can include activities at different locations, if they are all in Australia.

Your project locations should cover one or more defence industry hubs.

A Defence Industry Factsheet is published on business.gov.au and GrantConnect to assist you with identifying the location of defence industry hubs and the Sovereign Industry Priorities they support

5.3. Eligible expenditure

You can only spend the grant on eligible expenditure you have incurred on an agreed project as defined in your grant agreement.

For guidance on eligible expenditure, refer to appendix A.

If your application is successful, we may ask you to verify project costs that you provided in your application. You may need to provide evidence such as quotes for major costs.

Not all expenditure on your project may be eligible for grant funding. The Senior Responsible Officer (who is a Manager within the department with responsibility for administering the program) makes the final decision on what is eligible expenditure and may give additional guidance on eligible expenditure if required.

To be eligible, expenditure must:

- be a direct cost of the project
- be incurred by you for required project audit activities.

You must incur the project expenditure between the project start and end date for it to be eligible unless stated otherwise.

You must not commence your project until you execute a grant agreement with the Commonwealth.

5.4. What the grant money cannot be used for

For guidance on ineligible expenditure, refer to appendix B.

6. The assessment criteria

You must address all assessment criteria in your application.

DISR and Defence will co assess your application based on the weighting given to each criterion. See section 8.1 for further information on the assessment of applications.

The application form asks questions that relate to the assessment criteria below.

The amount of detail and supporting evidence you provide in your application should be relative to the project size, complexity and grant amount requested. You should provide evidence to support your answers. The application form displays character limits for each response.

We will only award funding to applications that score at least 65 per cent against each assessment criterion.

The Schools Pathways Program Reporting guidance and Defence Industry Factsheets have been published on business.gov.au and GrantConnect to assist in your response the below assessment criterion.

6.1. Assessment criterion 1

Project alignment with the objectives and outcomes of the grant opportunity (30 points).

You must demonstrate how your project will meet the objectives and outcomes of the grant opportunity. You must provide a project plan that:

a. describes the proposed project and activities

b. identifies your implementation methodology, activity frequency and timeframes

c. outlines how your activity aligns to the objectives and outcomes of the grant opportunity. In your response, address how your activity will:

    i. develop students, teachers and parents/caregivers' awareness of defence industry and the relevant career opportunities and pathways

    ii. incorporate defence industry perspectives and foster links between schools and defence industry organisations through engagement activities and/or career experiences such as mentoring

    iii. inspire secondary school students to pursue STEM education and encourage uptake of STEM career pathways relevant to defence industry

    iv. support the engagement of traditionally underrepresented groups and students who are not already engaged in STEM education.

d. identify the Key Performance Indicators (KPIs) as published on business.gov.au and GrantConnect, you will use to demonstrate a fulfilment of the grant opportunity objectives and outcomes, and your data collection methodologies.

6.2. Assessment criterion 2

Your capability, capacity and resources to deliver the project (20 points).

a. You must demonstrate your **capability** to deliver the project by identifying:

i. the staff allocated to undertake your project, setting out the relevant qualifications and/or industry experience for each

ii. your understanding of secondary STEM and the vocational education environment, including any previous experience implementing a similar activity, inclusive of demonstrated success and potential lessons learnt

iii. your current knowledge of, and links to, defence industry and the Sovereign Defence Industrial Priorities, or how you propose to develop this, relevant to your proposed grant activity region.

b. You must demonstrate your **capacity** to deliver the grant activity by providing a risk management strategy. In your risk management strategy identify the potential risks and barriers that you will face when undertaking your project and the actions that will be implemented to mitigate these. Ensure your strategy addresses:

i. any barriers you may experience in engaging with defence industry, traditionally underrepresented groups, teachers, parents and/or caregivers, and students who are currently not engaged in STEM education relevant to your proposed grant location(s)

ii. the adaptability of your project and associated activities and your ability to facilitate activities virtually and in-person

iii. your capacity to monitor your project and report in line with the grant opportunity outcomes and Schools Pathways Program KPIs published on business.gov.au and GrantConnect

iv. your ability to meet the requirement of section 4.5.1.

c. You must demonstrate your **resources** to deliver the project by attaching a detailed project budget using the template provided. This should include quotes to validate the total costs of your project. In your budget you must identify:

i. eligible expenditure items and grant funding you are seeking, clearly aligned with the eligible expenditure categories in Appendix A

ii. staffing cost details

iii. any funding contributions or other support (including in-kind) from third parties that relate to the project, including how you will ensure there is no duplication of funding for the same project activities.

6.3. Assessment criterion 3

Project impact and impact of grant funding (50 points).

You must identify how your:

a. project aligns with the future workforce needs relevant to supporting Sovereign Defence Industrial Priorities and defence industry hubs in your project location(s). Please ensure you describe:

i. your understanding of the future defence industry workforce needs relevant to defence industry hubs in your project location(s), and the Sovereign Defence Industrial Priorities supported to meet Defence's capability needs, as outlined in the 2026 Defence Industry Development Strategy.

ii. how your project will contribute to developing the required future defence industry workforce in defence industry hubs in your project location(s) and the Sovereign Defence Industrial Priorities they support.

b. project outcomes will be achieved, assisted or enhanced by the grant funds provided, and why this could not be achieved without the grant. This includes the ongoing use of any project materials, resources or activities developed through the project beyond the grant period.

7. How to apply

Before applying you should read and understand these guidelines, the sample application form and the sample grant agreement published on business.gov.au and GrantConnect.

Any changes to the guidelines will be published on GrantConnect and by registering on this website, you will be automatically notified of any changes to these grant opportunity guidelines.

We encourage you to read the Defence Industry Development Strategy[9] to understand the Sovereign Defence Industrial Priorities that your project may support.

Applicants should read all eligibility and assessment criteria closely and attach detailed evidence that supports the assessment criteria.

You will need to set up an account to access our online portal. You can only submit an application during a funding round.

To apply, you must:

- complete and submit the application through the online portal by the closing date and time
- provide all the information requested
- address all eligibility and assessment criteria
- include all necessary attachments.

You are responsible for making sure your application is complete and accurate. The use of artificial intelligence and other forms of automation is permissible in developing your application, but you remain responsible for the accuracy, security and suitability of all information submitted as part of your application.

Giving false or misleading information is a serious offence under the *Criminal Code Act 1995*. If we consider that you have provided false or misleading information we may not progress your application. If you find an error in your application after submitting it, you should call us immediately on 13 28 46.

After submitting your application, we can contact you for clarification if we find an error or any missing information, including evidence that supports your eligibility/merit. The acceptance of any additional information provided after the submission of your application is at the discretion of the Senior Responsible Officer. Additional information should not

[9] https://www.defence.gov.au/about/strategic-planning/2026-defence-industry-development-strategy

materially change your application at the time it was submitted and therefore may be refused if deemed to be purely supplementary.

You should keep a copy of your application and any supporting documents. You can view and print a copy of your submitted application on the portal for your own records.

If you need further guidance around the application process, or if you have any issues with the portal, contact us at business.gov.au or by calling 13 28 46.

7.1. Attachments to the application

You must provide the following documents with your application:

- a project plan (up to 10 pages)
- a project budget (including staffing costs) using the template available on business.gov.au
- a risk management strategy (up to 10 pages)
- evidence of support from the board, CEO or equivalent (template provided on business.gov.au and GrantConnect). Where the CEO or equivalent submits the application, we will accept this as evidence of support. The evidence of support must confirm:
  - support for the project
  - the applicant's ability to complete the project
  - the applicant's ability to cover any project costs not covered by the grant
- letters of support from each project partner (where applicable)
- details of allocated staff, including their relevant qualifications and/or industry experience
- trust deed (where applicable).

You must attach supporting documentation to the application form in line with the instructions provided within the form. You should only attach requested documents. Individual file sizes cannot be greater than 25MB, while the total of all attachments cannot exceed 50MB. We will not consider information in attachments that we do not request.

7.2. Joint (consortia) applications

We recognise that some organisations may want to join together as a group to deliver a project. In these circumstances, you must appoint a lead organisation. Only the lead organisation can submit the application form and enter into the grant agreement with the Commonwealth. The application must identify all other members of the proposed group and include a letter of support from each of the project partners. Each letter of support should include:

- details of the project partner
- an overview of how the project partner will work with the lead organisation and any other project partners in the group to successfully complete the project
- an outline of the relevant experience and/or expertise the project partner will bring to the group

- the roles/responsibilities the project partner will undertake, and the resources it will contribute (if any)
- details of a nominated management level contact officer.

You must have a formal arrangement in place with all parties prior to execution of the grant agreement.

7.3. Timing of grant opportunity processes

You can only submit an application between the published opening and closing dates. We cannot accept late applications.

If you are successful, you can commence your project once you execute a grant agreement with the Commonwealth. The Commonwealth is not responsible for any expenditure you incur until a grant agreement is executed.

Table 1: Expected timing for this grant opportunity

Activity	Timeframe
Assessment of applications	4 weeks
Approval and announcement of successful applicants	4 weeks
Negotiations and award of grant agreements	5 weeks
Notification to unsuccessful applicants	2 weeks
Earliest start date of grant activity	The date your grant agreement is executed
Project completion date	31 March 2030
End date of grant commitment	30 June 2030

7.4. Questions during the application process

If you have any questions during the application period, contact us at business.gov.au or by calling 13 28 46.

8. The grant selection process

8.1. Assessment of grant applications

We first review your application against the eligibility criteria.

If eligible, your application will be assessed against the assessment criteria by DISR and Defence. Only eligible applications will proceed to the assessment stage. We consider eligible applications through an open competitive grant process.

If your application is eligible, DISR and Defence will then assess your application against the assessment criteria (see Section 6) and against other applications. We consider your application on its merits, based on:

- how well it meets the assessment criteria
- how it compares to other applications
- whether it provides value with relevant money.[10]

8.1.1. Value with relevant money

When assessing the extent to which the application represents value with relevant money, we will have regard to:

- the overall objective/s of the grant opportunity
- the evidence provided to demonstrate how your project contributes to meeting those objectives
- the extent to which the geographic location of the application matches identified priorities
- the extent to which the proposed activities align with future workforce needs in the defence industry, as identified in the 2026 Defence Industry Development Strategy.
- the relative value of the grant sought
- how the grant activities will target groups or individuals.

If applications are scored the same, the Senior Responsible Officer will consider value with relevant money and alignment to the program objectives to recommend applications for funding.

We also consider any national interest, financial, legal/regulatory, governance or other issue or risk that we identify during any due diligence process that we conduct in respect of the applicant. This includes its directors, officers, senior managers, key personnel, its related bodies corporate (as defined in the Corporations Act) or its application that could bring the Australian Government into disrepute if it were to fund the applicant. Such issues and risks include where we consider that funding the application under this grant opportunity is likely to directly conflict with Australian Government policy. Where possible, we will provide you with an opportunity to comment on any material risks identified during this due diligence process prior to our determining the extent (if any) to which those issues or risks affect our assessment of the application and, if so, whether they are sufficient to warrant the exclusion of your application from the assessment process.

8.2. Who will assess applications?

DISR and Defence will co assess your application against the selection criteria. The results of these assessments will be considered as part of the overall assessment process and used to inform recommendations to the Decision Maker.

[10] See glossary for an explanation of 'value with money'.

8.3. Who will approve grants?

The Decision Maker, who is a Senior Responsible Officer in DISR with delegation to approve grants decides which grants to approve taking into account the application assessment and the availability of grant funds.

The Decision Maker's decision is final in all matters, including:

- the grant approval
- the grant funding to be awarded
- any conditions attached to the offer of grant funding

We cannot review decisions about the merits of your application.

The Decision Maker will not approve funding if there are insufficient program funds available across relevant financial years for the program.

9. Notification of application outcomes

We will advise you of the outcome of your application in writing. If you are successful, we advise you of any specific conditions attached to the grant.

If you are unsuccessful, we will give you an opportunity to discuss the outcome.

9.1. Feedback on your application

If you are unsuccessful, we will provide you with written feedback on your application.

9.2. Further grant opportunities

If there are not enough suitable applications to meet the program's objectives, we may deliver subsequent grant opportunities as competitive, targeted or closed non-competitive processes.

10. Successful grant applications

10.1. The grant agreement

You must enter into a legally binding grant agreement with the Commonwealth. The grant agreement has general terms and conditions that cannot be changed. A sample grant agreement is available on business.gov.au and GrantConnect.

We will manage the grant agreement through the online portal. This includes issuing and executing the grant agreement. Execute means both you and the Commonwealth have accepted the agreement. You must not start any Schools Pathways Program activities until a grant agreement is executed. We are not responsible for any expenditure you incur and cannot make any payments until a grant agreement is executed.

The approval of your grant may have specific conditions determined by the assessment process or other considerations made by the Decision Maker. We will identify these in the offer of grant funding.

If you enter an agreement under the Schools Pathways Program, you cannot receive other grants for the same activities from other Commonwealth, state or territory granting programs where the funding duplicates support for the project activities described in your application.

The Commonwealth may recover grant funds if there is a breach of the grant agreement.

We will use a standard grant agreement.

You will have 30 days from the date of a written offer to execute this grant agreement with the Commonwealth. During this time, we will work with you to finalise details.

The offer may lapse if both parties do not sign the grant agreement within this time. Under certain circumstances, we may extend this period. We base the approval of your grant on the information you provide in your application. We will review any required changes to these details to ensure they do not impact the project as approved by the Decision Maker.

10.2. How we pay the grant

The grant agreement will state the:

- maximum grant amount we will pay
- proportion of eligible expenditure covered by the grant (grant percentage).

We will not exceed the maximum grant amount under any circumstances. If you incur extra costs, you must meet them yourself.

Indexation is a component of the grant payments, and the grant agreement will outline how and when indexation will be paid.

We will make payments according to an agreed schedule set out in the grant agreement. Payments are subject to satisfactory progress on the project.

10.3. Grant Payments and GST

If you are registered for the Goods and Services Tax (GST[11]), where applicable we will add GST to your grant payment and provide you with a Recipient Created Tax Invoice[12]. You are required to notify us if your GST registration status changes during the project period. GST does not apply to grant payments to government related entities[13].

Grants are assessable income for taxation purposes, unless exempted by a taxation law. We recommend you seek independent professional advice on your taxation obligations or seek assistance from the Australian Taxation Office.[14] We do not provide advice on tax.

[11] https://www.ato.gov.au/businesses-and-organisations/gst-excise-and-indirect-taxes/gst/registering-for-gst

[12] https://www.ato.gov.au/forms-and-instructions/recipient-created-tax-invoices

[13] See Australian Taxation Office ruling GSTR 2012/2 available at ato.gov.au

[14] https://www.ato.gov.au/

11. Announcement of grants

If successful, your grant will be listed on the GrantConnect website 21 calendar days after the date of effect.

We will publish non-sensitive details of successful projects on GrantConnect. We are required to do this by the Commonwealth Grants Rules and Principles (CGRPs). Section 5.4. We may also publish this information on business.gov.au. This information may include:

- name of your organisation (legal trading name)
- title of the project
- description of the project and its aims
- amount of grant funding awarded
- Australian Business Number
- business location
- your organisation's industry sector.

12. How we monitor your grant activity

12.1. Keeping us informed

You should let us know if anything is likely to affect your project or organisation.

We need to know of any key changes to your organisation or its business activities, particularly if they affect your ability to complete your project, carry on business and pay debts due.

You must also inform us of any changes to your:

- name
- addresses
- nominated contact details
- bank account details
- joint/consortia partners and related arrangements (if applicable)
- changes in financial and in-kind support contributions
- organisations required registration and clearances as outlined in section 4.4.

If you become aware of a breach of terms and conditions under the grant agreement, you must contact us immediately.

You must notify us of events relating to your project and provide an opportunity for the Minister or their representative to attend.

12.2. Reporting

You must submit reports in line with the grant agreement. We will provide the requirements for these reports as appendices in the grant agreement. We will remind you of your reporting obligations before a report is due. We will expect you to report on:

- progress against agreed project milestones and outcomes[15]
- project expenditure, including expenditure of grant funds.

The amount of detail you provide in your reports should be relative to the project size, complexity and grant amount.

The use of artificial intelligence and other forms of automation in meeting your reporting requirements and developing grant material needs to be approved by Defence in writing prior to use. Requests will be considered on a case-by-case basis and will require a detailed analysis of several factors. You remain responsible for the accuracy, security and suitability of all information submitted in your reports. You also remain responsible to abide by privacy and confidentiality obligations undertaken by you in any grant agreement, for example Australian Privacy Principle 6, which outlines when an APP entity may use or disclose personal information[16]. You must have regard to the guidance published by the OAIC Guidance on privacy and the use of commercially available AI products | OAIC ; AI and Australian law | National AI Centre from time to time to assist you in identifying risks and complying with your obligations.

We will monitor the progress of your project by assessing reports you submit and may conduct site visits to confirm details of your reports if necessary. Occasionally we may need to re-examine claims, seek further information or request an independent audit of claims and payments.

12.2.1. Progress reports

Progress reports must:

- include details of your progress towards completion of agreed project activities
- show the total eligible expenditure incurred to date
- include evidence of expenditure
- fulfil all requirements outlined in the Key Performance Indicator Reporting Factsheet and reporting template
- be submitted by the report due date (you can submit reports ahead of time if you have completed relevant project activities).

We will only make grant payments when we receive satisfactory progress reports.

You must discuss any project or milestone reporting delays with us as soon as you become aware of them.

12.2.2. Ad-hoc reports

We may ask you for ad-hoc reports on your project. This may be to provide an update on progress, or any significant delays or difficulties in completing the project.

---

[15] An example of the participation data and Schools Pathways Program Key Performance Indicators (KPIs) you may report against are published on business.gov.au and GrantConnect.

16 Chapter 6: APP 6 Use or disclosure of personal information | OAIC

12.2.3. Final Report

When you complete the project, you must submit an end of project report.

End of project reports must:

- include the agreed evidence as specified in the grant agreement
- identify the total eligible expenditure incurred for the project
- include a declaration that the grant money was spent in accordance with the grant agreement and to report on any underspends of the grant money
- fulfil all requirements outlined in the Key Performance Indicator Reporting Factsheet and reporting template
- be submitted by the report due date.

12.3. Audited financial acquittal report

We may ask you to provide a financial declaration that the grant money was spent in accordance with the grant agreement and to report on any underspends of the grant money.

We may ask you to provide an independent audit report. An audit report will verify that you spent the grant in accordance with the grant agreement. The audit report requires you to prepare a statement of grant income and expenditure.

12.4. Grant agreement variations

We recognise that unexpected events may affect project progress. In these circumstances, you can request a variation to your grant agreement, including:

- changing project milestones
- extending the timeframe for completing the project but within the maximum time period allowed in program guidelines
- changing project activities.

The Senior Responsible officer, in consultation with Defence, may choose to reallocate grants funding in exceptional circumstances.

If you want to propose changes to the grant agreement, you must put them in writing before the project end date. You can submit a variation request via our online portal.

If a delay in the project causes milestone achievement and payment dates to move to a different financial year, you will need a variation to the grant agreement. We can only move funds between financial years if there is enough program funding in the relevant year to allow for the revised payment schedule. If we cannot move the funds, you may lose some grant funding.

You should not assume that a variation request will be successful. We will consider your request based on factors such as:

- how it affects the project outcome
- consistency with the program policy objective, grant opportunity guidelines and any relevant policies of the department
- changes to the timing of grant payments

- availability of program funds.

12.5. Compliance visits

We may visit you during the project period, or at the completion of your project to review your compliance with the grant agreement. We will provide you with reasonable notice of any compliance visit.

12.6. Record keeping

We may also inspect the records you are required to keep under the grant agreement.

Records will need to be kept and maintained to an equivalent or higher standard than the requirements set out in the General Records Authorities and Agency Specific Records Authorities published by the National Archives of Australia.

12.7. Evaluation

The Department of Defence will evaluate the grant opportunity to measure how well the outcomes and objectives have been achieved. We may use information from your application and project reports for this purpose. We may also interview you, or ask you for more information to help us understand how the grant impacted you and to evaluate how effective the program was in achieving its outcomes.

We may contact you up to two years after you finish your project for more information to assist with this evaluation.

12.8. Acknowledgement

If you make a public statement about a project funded under the program, including in a brochure or publication, you must acknowledge the grant by using the following:

'This project received grant funding from the Australian Government - Defence.'

If you erect signage in relation to the project, the signage must contain an acknowledgement of the grant.

13. Probity

We will make sure that the grant opportunity process is fair, according to the published guidelines, incorporates appropriate safeguards against fraud and corruption, unlawful activities and other inappropriate conduct and is consistent with the CGRPs.

You should be aware of your obligations under the *National Anti-Corruption Commission Act 2022*[17], noting that under the Act grantees will generally be considered 'contracted service providers'. For more information see NACC fact sheets[18].

[17] https://www.legislation.gov.au/C2022A00088/latest/text

[18] https://www.nacc.gov.au/resource-centre/nacc-fact-sheets

13.1. Enquiries and feedback

For further information or clarification, you can contact us on 13 28 46 or by web chat or through our online enquiry form on business.gov.au.

We may publish answers to your questions on our website as Frequently Asked Questions.

Our Customer Service Charter is available at business.gov.au. We use customer satisfaction surveys to improve our business operations and service.

If you have a complaint, call us on 13 28 46. We will refer your complaint to the appropriate manager.

If you are not satisfied with the way we handle your complaint, you can contact:

General Manager
Business Grants Hub
Department of Industry, Science and Resources
GPO Box 2013
CANBERRA ACT 2601

You can also contact the Commonwealth Ombudsman with your complaint (call 1300 362 072). There is no fee for making a complaint, and the Ombudsman may conduct an independent investigation.

13.2. Conflicts of interest

Any conflicts of interest could affect the performance of the grant opportunity and/or program. There may be a conflict of interest, or perceived conflict of interest, if our staff, any member of a committee or advisor and/or you or any of your personnel:

- has a professional, commercial or personal relationship with a party who is able to influence the application selection process, such as an Australian Government officer
- has a relationship with or interest in, an organisation, which is likely to interfere with or restrict the applicants from carrying out the proposed activities fairly and independently or
- has a relationship with, or interest in, an organisation from which they will receive personal gain because the organisation receives a grant under the grant program/grant opportunity.

As part of your application, we will ask you to declare any perceived or existing conflicts of interests or confirm that, to the best of your knowledge, there is no conflict of interest.

If you later identify an actual, apparent, or perceived conflict of interest, you must inform us in writing immediately.

Conflicts of interest for Australian Government staff are handled as set out in the Australian Public Service Code of Conduct (Section 13(7)) of the *Public Service Act 1999* and section 29 (duty to disclose interests) of the Public Governance, Performance and Accountability Act 2013. Committee members and other officials including the decision maker must also declare any conflicts of interest.

We publish our conflict of interest policy[19] on the department's website. The Commonwealth policy entity also publishes a conflict of interest policy on its website.

13.3. Privacy

Unless the information you provide to us is:

- confidential information as per 13.4, or
- personal information as per below.

We may share the information with other government agencies for a relevant Commonwealth purpose such as:

- to improve the effective administration, monitoring and evaluation of Australian Government programs
- for research
- to announce the awarding of grants.

We treat your personal information according to the *Privacy Act 1988*[20] and the Australian Privacy Principles[21]. This includes letting you know:

- what personal information we collect
- why we collect your personal information
- to whom we give your personal information.

We may give the personal information we collect from you to our employees and contractors, and other Commonwealth employees and contractors, so we can:

- manage the program
- research, assess, monitor and analyse our programs and activities
- identify and manage any financial, legal/regulatory, governance, national interest, or national security risks.

We, or the Minister, may:

- announce the names of successful applicants to the public
- publish personal information on the department's websites.

You may read our Privacy Policy[22] on the department's website for more information on:

- what is personal information
- how we collect, use, disclose and store your personal information
- how you can access and correct your personal information.

As part of your application, you declare that you will comply with the Privacy Act and the Australian Privacy Principles and that you will impose the same privacy obligations on

[19] https://www.industry.gov.au/publications/conflict-interest-policy

[20] https://www.legislation.gov.au/C2004A03712/latest/text

[21] https://www.oaic.gov.au/privacy/australian-privacy-principles

[22] https://www.industry.gov.au/data-and-publications/privacy-policy

officers, employees, agents and subcontractors that you engage to assist with the activity, in respect of personal information you collect, use, store, or disclose in connection with the activity. Accordingly, you must not do anything, which if done by DISR would breach an Australian Privacy Principle as defined in the Privacy Act.

13.4. Confidential information

Other than information available in the public domain, you agree not to disclose to any person, other than us, any confidential information relating to the grant application and/or agreement, without our prior written approval. The obligation will not be breached where you are required by law, Parliament or a stock exchange to disclose the relevant information or where the relevant information is publicly available (other than through breach of a confidentiality or non-disclosure obligation).

We may at any time, require you to arrange for you; or your employees, agents or subcontractors to give a written undertaking relating to nondisclosure of our confidential information in a form we consider acceptable.

We will treat the information you give us as sensitive and therefore confidential if it meets all of the following conditions:

- you clearly identify the information as confidential and explain why we should treat it as confidential
- the information is commercially sensitive
- disclosing the information would cause unreasonable harm to you or someone else.

We will not be in breach of any confidentiality agreement if the information is disclosed to:

- our Commonwealth employees and contractors and service providers, to help us manage the program effectively, including for an integrity purpose
- employees and contractors of other Commonwealth agencies for any purposes, including government administration, research or service delivery
- other Commonwealth, state, territory or local government agencies in program reports and consultations
- the Auditor-General, Ombudsman or Privacy Commissioner or National Anti-Corruption Commissioner, or staff of their agencies
- the responsible Minister or Assistant Minister or Parliamentary Secretary
- a House or a Committee of the Australian Parliament
- other Commonwealth agencies for risk management purposes.

We may also disclose confidential information if:

- we are required or authorised by law to disclose it
- you agree to the information being disclosed, or
- someone other than us has made the confidential information public.

13.5. Freedom of information

All documents in the possession of the Australian Government, including those about the program, are subject to the *Freedom of Information Act 1982* (Cth) (FOI Act).

The purpose of the FOI Act is to give members of the public rights of access to information held by the Australian Government and its entities. Under the FOI Act, members of the public can seek access to documents held by the Australian Government. This right of access is limited only by the exceptions and exemptions necessary to protect essential public interests and private and business affairs of persons in respect of whom the information relates.

If someone requests a document under the FOI Act, we will release it (though we may need to consult with you and/or other parties first) unless it meets one of the exemptions set out in the FOI Act.

All Freedom of Information requests must be referred to the Freedom of Information Coordinator in writing.

By mail: Freedom of Information Coordinator
GPO Box 9839
Canberra ACT 2601
Australia

By email: FOI@industry.gov.au

14. Glossary

Term	Definition
administering entity	When an entity that is not responsible for the policy, is responsible for the administration of part or all of the grant administration processes.
application form	The document issued by the Senior Responsible Officer that applicants use to apply for funding under the program.
assessment criteria	The specified principles or standards, against which applications will be judged. These criteria are also used to assess the merits of proposals and, in the case of a competitive grant opportunity, to determine application rankings.
Australian Corporate Commonwealth Entity (CCE)	A CCE is a body corporate that has a separate legal personality from the Commonwealth and can act in its own right exercising certain legal rights such as entering into contracts and owning property. Most CCEs are financially separate from the Commonwealth. CCEs are established through legislation or legislative instrument and are subject to the *PGPA Act* , which further clarifies the financial and corporate governance arrangements of these bodies. Some provisions of the PGPA Act applies to CCEs differently to non corporate Commonwealth entities because of their different legal status, for example the provisions relating to appropriation banking, investments and use if indemnities. The Flipchart of PGPA bodies lists all CCEs by portfolio and can be found on the Department of Finance website.
Australia's sovereign defence industrial base	Australian defence industry is comprised of businesses with an Australian-based industrial capability and an Australian Business Number (ABN), providing products or services used in, or which can be adapted to be used in the Australian Defence supply chain and/or an international defence force supply chain. This is Australia's sovereign defence industrial base. Only in limited circumstances is Australian ownership critical to sovereignty.

Term	Definition
Australian local government agency or body	An Australian local government agency or body is an entity established under state or territory local government legislation, for the purposes of governing local areas within state or territory. In the states, they are generally referred to as local councils.
Commonwealth entity	A Department of State, or a Parliamentary Department, or a listed entity or a body corporate established by a law of the Commonwealth. See subsections 10(1) and (2) of the PGPA Act.
Commencement date	The date that the grant activity may begin; this cannot occur prior to the execution of a grant agreement with the Commonwealth.
Commonwealth Grants Rules and Principles (CGRPs)	Establish the overarching Commonwealth grants policy framework and articulate the expectations for all non-corporate Commonwealth entities in relation to grants administration. Under this overarching framework, non-corporate Commonwealth entities undertake grants administration based on the mandatory requirements and key principles of grants administration.
completion date	The expected date that the grant activity must be completed and the grant spent by.
contracted service provider	A person who is a party to a Commonwealth contract or is a party to a subcontract with a contracted service provider, including committees or community groups, and is responsible for the provision of goods or services under contract, either directly or indirectly.
co-sponsoring entity	When two or more entities are responsible for the policy and the appropriation for outcomes associated with it.
date of effect	Can be the date on which a grant agreement is signed or a specified starting date. Where there is no grant agreement, entities must publish information on individual grants as soon as practicable.
decision maker	The person who makes a decision to award a grant.
Defence industry	Defence industry is comprised of businesses with an industrial capability used to provide products or services used in, or which can be adapted to be used in, the Australian Department of Defence supply chain

Term	Definition
	and/or an international defence force supply chain. This includes businesses that deliver services which contribute to national security outcomes in addition to warfighting outcomes.
Defence industry development strategy	The 2026 Defence Industry Development Strategy contains targeted measures to grow Australia's sovereign defence industrial base, including practical steps to expand the defence industry workforce needed to support National Defence.
Defence industry hub	A defence industry hub is a network or geographic cluster of Australian defence industry businesses that provide products or services used in, or which can be adapted to be used in, the Australian Department of Defence supply chain and/or an international defence force supply chain. Each defence industry hub contributes to the Australian defence industrial base ecosystem of businesses and can support one or more sovereign defence industrial priorities.
Department	The Department of Industry, Science and Resources.
eligible activities	The activities undertaken by a grantee in relation to a project that are eligible for funding support as set out in 5.1.
eligible application	An application or proposal for grant funding under the program that the Senior Responsible Officer has determined is eligible for assessment in accordance with these guidelines.
eligibility criteria	Refer to the mandatory criteria which must be met to qualify for a grant. Eligibility criteria are developed to enable objective validation and are either 'met' or 'not met'. Assessment criteria may apply in addition to eligibility criteria.
eligible expenditure	The expenditure incurred by a grantee on a project and which is eligible for funding support as set out in 5.3.
eligible expenditure guidance	The guidance that is provided at Appendix A.
exceptional circumstances	Circumstances that are rare or unexpected, therefore not a part of business as usual.

Term	Definition
grant	For the purposes of the CGRPs, a 'grant' is an arrangement for the provision of financial assistance by the Commonwealth or on behalf of the Commonwealth: a. under which relevant money[23] or other Consolidated Revenue Fund (CRF) money[24] is to be paid to a grantee other than the Commonwealth; and b. which is intended to help address one or more of the Australian Government's policy outcomes while assisting the grantee achieve its objectives.
grant activity/activities	Refers to the project/tasks/services that the grantee is required to undertake.
grant agreement	A legally binding contract that sets out the relationship between the Commonwealth and a grantee for the grant funding, and specifies the details of the grant.
GrantConnect	The Australian Government's whole-of-government grants information system, which centralises the publication and reporting of Commonwealth grants in accordance with the CGRPs.
grant funding or grant funds	The funding made available by the Commonwealth to grantees under the program.
grant opportunity	Refers to the specific grant round or process where a Commonwealth grant is made available to potential grantees. Grant opportunities may be open or targeted, and will reflect the relevant grant selection process.
grant program	A 'program' carries its natural meaning and is intended to cover a potentially wide range of related activities aimed at achieving government policy outcomes. A grant program is a group of one or more grant opportunities under a single entity Portfolio Budget Statement Program.
grantee	The individual/organisation which has been selected to receive a grant.

[23] Relevant money is defined in the PGPA Act. See section 8, Dictionary.

[24] Other CRF money is defined in the PGPA Act. See section 105, Rules in relation to other CRF money.

Term	Definition
General Manager	Position title for Senior Executive Service level staff within DISR.
Key Performance Indicators	Measurable values that are used to evaluate how well a grantee is achieving the program objectives.
mentoring	For the purpose of this grant mentoring refers to an interaction between a defence industry representative that results in a growth of the mentee's awareness and aspirations to pursue STEM education and relevant defence industry career pathways.
Minister	The Commonwealth Minister for Defence Industry.
participant	For the purpose of this grant, participant refers to students, teachers, schools and parents/carers or families or any other individual or organisation involved in the grant project.
PBS Program	Described within the entity's Portfolio Budget Statement, PBS programs each link to a single outcome and provide transparency for funding decisions. These high-level PBS programs often comprise a number of lower level, more publicly recognised programs, some of which will be grant programs. A PBS program may have more than one grant program associated with it, and each of these may have one or more grant opportunities.
personal information	Has the same meaning as in the *Privacy Act 1988* (Cth) which is: Information or an opinion about an identified individual, or an individual who is reasonably identifiable: a. whether the information or opinion is true or not; and b. whether the information or opinion is recorded in a material form or not.
program funding or program funds	The funding made available by the Commonwealth for the program.
project	A project described in an application for grant funding under the program.

Term	Definition
selection criteria	Comprises of eligibility criteria and assessment criteria.
selection process	The method used to select potential grantees. This process may involve comparative assessment of applications or the assessment of applications against the eligibility criteria and/or the assessment criteria.
Senior Responsible Officer	A Manager within the Business Grants Hub in DISR with responsibility for administering the program.
Sovereign Defence Industrial Priorities	The 2026 Defence Industry Development Strategy identifies the Sovereign Defence Industrial Priorities (SDIP) which are the most critical industrial capabilities requiring development for Defence.
STEM	STEM education is a term used to refer collectively to the teaching of the disciplines within its umbrella – science, technology, engineering and mathematics – and also to a cross-disciplinary approach to teaching that increases student interest in STEM related fields and improves students' problem solving and critical analysis skills.
traditionally underrepresented groups	For the purpose of this grant opportunity, a traditionally underrepresented group is a demographic group that has a smaller percentage of representation within the STEM workforce and defence industry. This is inclusive of, but not limited to individuals who identify as Female or otherwise referred to as women and girls, First Nations peoples, people living with a disability, culturally and linguistically diverse people, people with a low socioeconomic status, LGBTQIA+ people, neurodivergent people, and people living in a regional and remote areas.
value with money	Value with money in this document refers to 'value with relevant money' which is a judgement based on the grant proposal representing an efficient, effective, economical and ethical use of public resources and determined from a variety of considerations. When administering a grant opportunity, an official should consider the relevant financial and non-financial costs and benefits of each proposal including, but not limited to: ▪ the quality of the project proposal and activities;

Term	Definition
	▪ fitness for purpose of the proposal in contributing to government objectives; ▪ that the absence of a grant is likely to prevent the grantee and government's outcomes being achieved; and ▪ the potential grantee's relevant experience and performance history.
vocational education	Vocational education is designed for learners to acquire the knowledge, skills and competencies specific to a particular occupation or trade or class of occupations or trades. For the purpose of this grant program vocational education could include practical work-based or exposure activities such as mentoring, site visits, virtual or augmented activity, and work experience.
Work Experience	Short-term placement in a defence industry workplace where students observe daily operations, learn about the associated roles, and perform basic supervised tasks.

Appendix A. Eligible expenditure

This section provides guidance on the eligibility of expenditure. We may update this guidance from time to time; check you are referring to the most current version from the business.gov.au website before preparing your application.

The Senior Responsible Officer makes the final decision on what is eligible expenditure and may give additional guidance on eligible expenditure if required.

To be eligible, expenditure must:

- be incurred by you within the project period
- be a direct cost of the project
- be incurred by you to undertake required project audit activities (where applicable)
- meet the eligible expenditure guidelines.

A.1 How we verify eligible expenditure

If your application is successful, we may ask you to verify the project budget that you provided in your application when we negotiate your grant agreement. You may need to provide evidence such as quotes for major costs.

The grant agreement will include details of the evidence you may need to provide when you achieve certain milestones in your project. This may include evidence related to eligible expenditure.

If requested, you will need to provide the agreed evidence along with your progress reports.

You must keep payment records of all eligible expenditure, and be able to explain how the costs relate to the agreed project activities. At any time, we may ask you to provide records of the expenditure you have paid. If you do not provide these records when requested, the expense may not qualify as eligible expenditure.

At the end of the project, you may be required to provide an independent financial audit of all eligible expenditure from the project.

A.2 Labour expenditure

Eligible labour expenditure for the grant covers the direct labour costs of employees you directly employ on the core elements of the project. We consider a person an employee when you pay them a regular salary or wage, out of which you make regular tax instalment deductions.

We do not consider labour expenditure for leadership or administrative staff (such as CEOs, CFOs, accountants and lawyers) as eligible expenditure, even if they are doing project management tasks.

Eligible salary expenditure includes an employee's total remuneration package as stated on their Pay As You Go (PAYG) Annual Payment Summary submitted to the ATO. We consider salary-sacrificed superannuation contributions as part of an employee's salary package if the amount is more than what the Superannuation Guarantee requires.

The maximum salary for an employee, director or shareholder, including packaged components that you can claim through the grant is $175,000 per financial year.

For periods of the project that do not make a full financial year, you must reduce the maximum salary amount you claim proportionally.

You can only claim eligible salary costs when an employee is working directly on agreed project activities during the agreed project period.

A.3 Labour on-costs and administrative overhead

You may increase eligible salary costs by an additional 30 per cent allowance to cover on-costs such as employer paid superannuation, payroll tax, workers compensation insurance, and overheads such as office rent and the purchase or provision of computing equipment directly required or related to the delivery of the project

You should calculate eligible salary costs using the formula below:

$$\text{Eligible salary costs} = \text{Annual salary package} \times \frac{\text{Weeks spent on project}}{\text{52 weeks}} \times \text{percentage of time spent on project}$$

You cannot calculate labour costs by estimating the employee's worth. If you have not exchanged money (either by cash or bank transactions) we will not consider the cost eligible.

Evidence you will need to provide can include:

- details of all personnel working on the project, including name, title, function, time spent on the project and salary
- ATO payment summaries, pay slips and employment contracts.

A.4 Contract expenditure

Eligible contract expenditure is the cost of any agreed project activities that you contract others to do. These can include contracting:

- another organisation
- an individual who is not an employee, but engaged under a separate contract.

All contractors (including community groups and committees) must have a written contract prior to starting any project work – for example, a formal agreement, letter or purchase order which specifies:

- the nature of the work they perform
- the applicable fees, charges and other costs payable.

Invoices from contractors must contain:

- a detailed description of the nature of the work
- the hours and hourly rates involved
- any specific plant expenses paid.

Invoices must directly relate to the agreed project, and the work must qualify as an eligible expense. The costs must also be reasonable and appropriate for the activities performed.

We will require evidence of contractor expenditure that may include:

- an exchange of letters (including email) setting out the terms and conditions of the proposed contract work
- purchase orders
- supply agreements
- invoices and payment documents.

You must ensure all project contractors keep a record of the costs of their work on the project. We may require you to provide a contractor's records of their costs of doing project work. If you cannot provide these records, the relevant contract expense may not qualify as eligible expenditure.

A.5 Travel expenditure

Eligible travel may include domestic travel limited to the reasonable cost of accommodation and transportation required to conduct agreed project and collaboration activities in Australia.

Eligible air transportation is limited to the economy class fare for each sector travelled; where non-economy class air transport is used only the equivalent of an economy fare for that sector is eligible expenditure. Where non-economy class air transport is used, the grantee will require evidence showing what an economy airfare costs at the time of travel.

Eligible travel expenditure is limited to 10 per cent of total project costs.

A.6 Other eligible expenditure

Other eligible expenditures for the project may include:

- reasonable associated costs as deemed by the Senior Responsible Officer to facilitate project activities such as booking fees for physical venues, freight and transportation costs
- capital expenditure for the purchase of assets such as furniture, computers or printers that are solely related to the project
- costs of assets such as equipment and/or software licencing to be used within the implementation of project activities
- consumables used within the implementation of project activities, such as stationery and kit supplies, or items used when hosting an event.
- communication and promotional material costs directly related to the facilitation of your project activities
- cost of developing and distributing educational materials, curriculum content, toolkits or similar
- the cost of an independent audit of project expenditure (where we request one) up to a maximum of 1 per cent of total eligible project expenditure.

Other specific expenditure may be eligible as determined by the Senior Responsible Officer.

Evidence you need to supply can include supplier contracts, purchase orders, invoices and supplier confirmation of payments.

Appendix B. Ineligible expenditure

This section provides guidance on what we consider ineligible expenditure. We may update this guidance from time to time; check you are referring to the most current version from the business.gov.au website before preparing your application.

The Senior Responsible Officer may impose limitations or exclude expenditure, or further include some ineligible expenditure listed in these guidelines in a grant agreement or otherwise by notice to you.

Examples of ineligible expenditure include:

- capital expenditure for the purchase of assets such as office furniture and equipment, motor vehicles, computers, printers or photocopiers not directly related to the project
- costs incurred in the preparation of a grant application or related documentation
- recurring or ongoing operational expenditure (including annual maintenance, rent, water and rates, postage, legal and accounting fees, bank charges)
- software subscriptions that are not directly related to the project
- costs related to corporate resources used on the project, including interest on loans, job advertising and recruiting, and contract negotiations
- overseas travel
- activities which have already received funding from another Commonwealth, state, territory or local government and/or private entity that would be seen as a duplication of effort
- travel costs that exceed 10 per cent of total project costs except where otherwise approved by the Senior Responsible Officer
- in-kind contributions.

This list is not exhaustive and applies only to the expenditure of the grant funds. Other costs may be ineligible where we decide that they do not directly support the achievement of the planned outcomes for the project or that they are contrary to the objective of the program.

You must ensure you have adequate funds to meet the costs of any ineligible expenditure associated with the project.