



Australian Government

**Department of the
Prime Minister and Cabinet**



Annual Report

2023–24

Annual Report

2023–24

About this report

This report outlines the operations, capability and performance of the Department of the Prime Minister and Cabinet (PM&C) for the financial year ending 30 June 2024.

It has been prepared in accordance with the provisions of section 46 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), the Public Governance, Performance and Accountability Rule 2014 (PGPA Rule) and the Department of Finance Resource Management Guide No. 135: Annual reports for non-corporate Commonwealth entities.

The annual report can be found on the department's website at: pmc.gov.au and on the Transparency Portal at: transparency.gov.au.

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Acknowledgement of Country

The Department of the Prime Minister and Cabinet acknowledges the Traditional Custodians of Country throughout Australia and their continuing connection to land, waters, skies and community. We pay our respects to their Elders past and present, and to their community leaders, and extend that respect to all Aboriginal and Torres Strait Islander peoples.



About the artist

James Baban is an Aboriginal man born in Darwin (NT) and member of the Stolen Generation. His mother's country is Mutburra/Tjingili (NT), his father's country is Limingan (NT) and his skin name is Janama.

About the artwork

The artwork – a gift from James Baban to PM&C – represents PM&C's ongoing reconciliation journey, with over 120 staff and Ngunnawal Elder Aunty Serena Williams contributing to the artwork during Reconciliation Week 2024. The overall message of the artwork is collaboration, conversations and consultation with communities from across Australia. This information comes back into the centre to inform our policy, advice and our reconciliation journey at the centre of government. It emphasises that we are all connected in this journey.

Letter of transmittal



Australian Government
Department of the Prime Minister and Cabinet

SECRETARY

The Hon Anthony Albanese MP
Prime Minister
Parliament House
CANBERRA ACT 2600

Anthony
Dear Prime Minister

I am pleased to present the Department of the Prime Minister and Cabinet (PM&C) Annual Report for the year ended 30 June 2024.

The annual report has been prepared in accordance with section 46 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), which requires that you table the report in parliament.

The report includes the department's annual performance statements and audited financial statements, as required by subsections 39(1)(b) and 43(4) of the PGPA Act.

As required by subsections 10 and 17AG(2) of the Public Governance, Performance and Accountability Rule 2014, I certify that:

- PM&C has prepared fraud risk assessments and fraud control plans
- PM&C has in place appropriate fraud prevention, detection, investigation and reporting mechanisms that meet its specific needs
- I have taken all reasonable measures to appropriately deal with fraud relating to PM&C.

Following the tabling of the Department of the Prime Minister and Cabinet Annual Report 2023–24, the report will be available on PM&C's website, www.pmc.gov.au, and on the Transparency Portal, www.transparency.gov.au.

Yours

Professor Glyn Davis AC
14/ October 2024

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Secretary's review



Secretary of the Department of the Prime Minister and Cabinet – Professor Glyn Davis AC

I am pleased to present my third annual report as Secretary of the Department of the Prime Minister and Cabinet (PM&C).

At PM&C we have the great privilege – and challenge – of immersing ourselves in work of astonishing depth and breadth. In this report are the achievements of another full and purposeful year delivering on our mission to improve the lives of all Australians through high-quality advice and support to the government.

This report describes our work across 5 key activity areas: providing effective and timely advice; helping our partner agencies deliver on government priorities; coordinating and supporting Australia's national and international agendas; helping the Prime Minister and portfolio ministers engage with the community; and delivering programs and activities that support the efficient running of government.

As the lead agency for the Australian Public Service (APS), PM&C is at the heart of planning and policy coordination for the government. This requires a whole-of-government approach to domestic and international policy, including the convening of expertise from across the service and beyond. Taskforces are an important way we bring experts together, and over this reporting period PM&C was proud to host taskforces on Aged Care, the Care and Support Economy, the COVID-19 Response, APS Integrity and the ASEAN-Australia Special Summit.

The government's domestic agenda has similarly relied on PM&C's leadership and oversight role. From overseeing development of the Future Made in Australia agenda and the National Strategy for Gender Equality, to leading on historic National Cabinet reforms covering health, housing and ending gender-based violence, PM&C's efforts have made a difference to Australians' lives.

The government's international agenda has also heavily informed the work of PM&C over the past year. Staff have delivered on a range of international priorities, from the Quad and AUKUS partnerships to coordinating the Prime Minister's engagements with foreign leaders, both in Australia and overseas. The successful delivery of the ASEAN-Australia Special Summit was a remarkable achievement, and a highlight example of PM&C's coordination and policy nous at work to advance the interests of Australia and the region.

At PM&C, we take seriously our responsibility to meet the high standards and expectations of the government, now and into the future. A critical part of upholding this stewardship duty is fostering an environment in which our people can be their best. To this end, PM&C's Inclusion and Diversity Strategy has over the past year helped lift our ambitions as a respectful and sought-after place of work.

Looking ahead, PM&C will continue to be a keen and agile partner to government. The value of stewardship and the role of the APS in delivering continuity through change will be at the forefront of our efforts over the coming year, particularly around the 2025 federal election.

I am immensely proud of everything PM&C has achieved over the past 12 months, and, as always, it is the commitment and professionalism of our people that makes it all possible. I know these qualities will continue to hold PM&C in good stead as we support the government into 2025 and beyond.

Part 1: Overview





Our ministers

Ministers appointed to the PM&C portfolio¹ during the reporting period were:



The Hon Anthony Albanese MP
Prime Minister

¹ As at 30 June 2024.



Senator the Hon Katy Gallagher
Minister for Finance, Minister for
Women, Minister for the Public Service



The Hon Linda Burney MP
Minister for Indigenous Australians



The Hon Mark Dreyfus KC MP
Attorney-General, Cabinet Secretary



The Hon Patrick Gorman MP
Assistant Minister to the Prime Minister,
Assistant Minister for the Public Service



Senator the Hon Malarndirri McCarthy
Assistant Minister for Indigenous Australians

Portfolio structure

As at 30 June 2024 the following entities were part of the Prime Minister and Cabinet portfolio. Each entity has its own purpose and reports on performance in its own annual report.

Department of State

- Department of the Prime Minister and Cabinet

Non-corporate Commonwealth entities under the PGPA Act

- Australian National Audit Office
- Australian Public Service Commission
- National Indigenous Australians Agency
- Office of National Intelligence
- Office of the Official Secretary to the Governor-General
- Workplace Gender Equality Agency

Corporate Commonwealth entities under the PGPA Act

- Australian Institute of Aboriginal and Torres Strait Islander Studies
- Indigenous Business Australia
- Indigenous Land and Sea Corporation
- Northern Territory Aboriginal Investment Corporation
- Northern Territory Land Councils
 - Anindilyakwa Land Council
 - Central Land Council
 - Northern Land Council
 - Tiwi Land Council
- Torres Strait Regional Authority
- Wreck Bay Aboriginal Community Council

Commonwealth companies under the PGPA Act

- Aboriginal Hostels Limited
- National Australia Day Council Limited
- Outback Stores Pty Ltd

Statutory bodies

- Defence Force Remuneration Tribunal
- Remuneration Tribunal

Office holders

- Executive Director of Township Leasing
- Office of the Aboriginal Land Commissioner
- Office of the Merit Protection Commissioner
- Office of the Registrar of Aboriginal and Torres Strait Island Corporations

The department

Our purpose

Our purpose is to provide support to the Prime Minister, the Cabinet, portfolio ministers and assistant ministers to improve the lives of all Australians, including through coordination of government activities, effective policy advice and development, and program delivery.

Our role

As the lead agency for the APS, PM&C plays an essential role within the APS. Our primary role is to serve the Prime Minister, support the Cabinet and work with colleagues across the APS to ensure the government's programs, policies and priorities are delivered to the highest possible standard. We take a whole-of-nation and whole-of-government approach, working with stakeholders across the APS enterprise and with Australian and international jurisdictions to improve the wellbeing of all Australians, advance Australia's interests and keep our country safe.

To perform this crucial work, we:

- provide informed and impactful advice to the Prime Minister, the Cabinet, portfolio ministers and assistant ministers to assist in the design, development and delivery of key government policies, strategies and services
- enable a well-functioning Cabinet and good governance by providing effective support processes that also assist agencies to achieve quality outcomes
- foster a high-performing public sector by establishing productive partnerships across the APS and helping our partner agencies to succeed. We combine our good understanding of the Prime Minister's and the government's priorities with the expertise, experience and actions required to deliver results while ensuring the work is conducted to the highest standards and with professionalism
- engage and collaborate with a diverse range of stakeholders across state, territory and local governments and the private sector to ensure that our advice is developed comprehensively and based on the best available evidence and expertise
- support the Prime Minister's engagement with international leaders and other nations, supporting the government to address major global challenges, advancing Australia's interests and keeping our country safe
- work together with agencies across the APS to respond quickly to crisis situations and national disaster events.

Our structure

Table 1 sets out details of PM&C’s Accountable Authority for 2023–24.

Table 1: Details of Accountable Authority during the reporting period (2023–24)

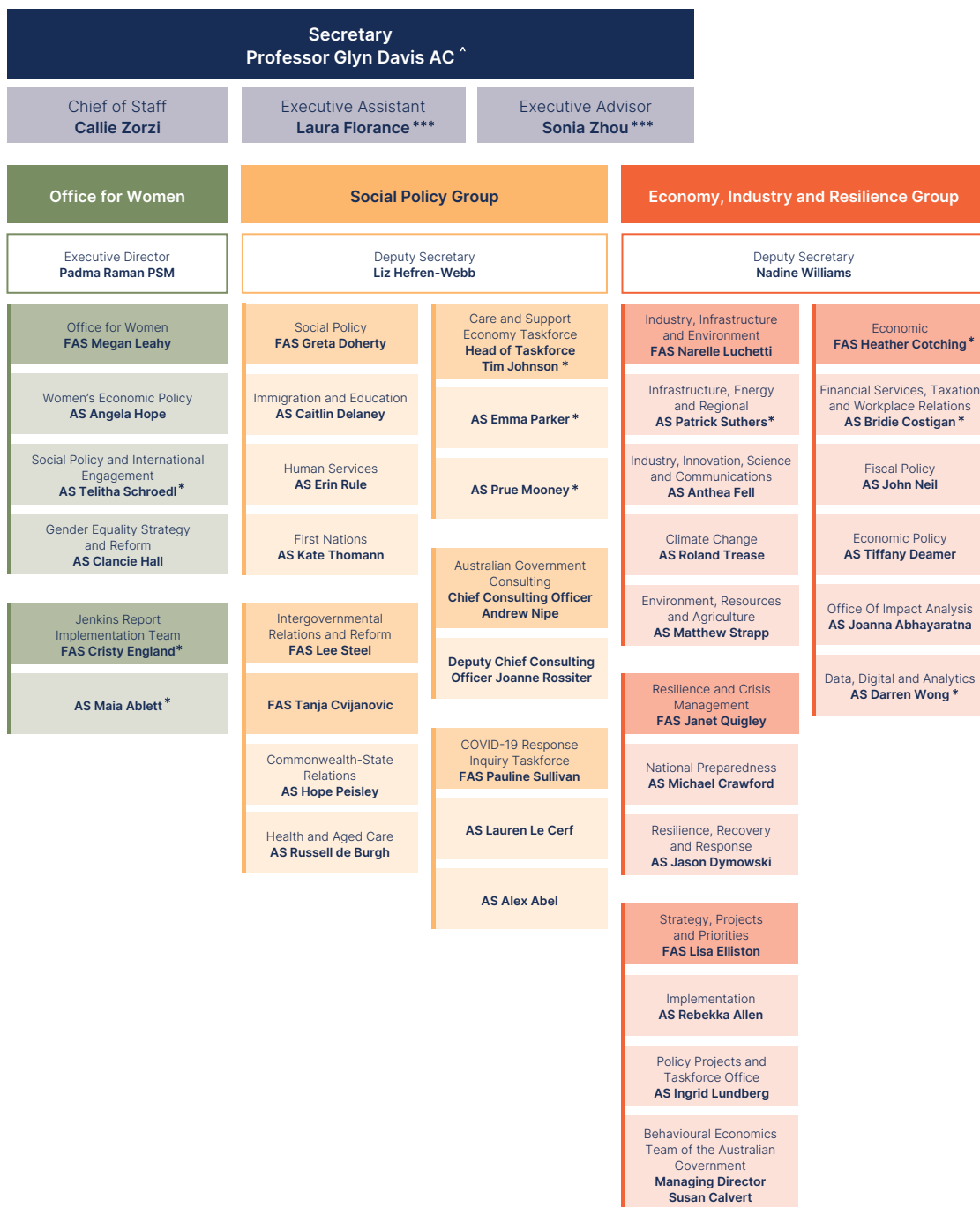
Name	Position title / Position held	Period as the Accountable Authority or member within the reporting period	
		Start date (1 July 2023 or after)	End date (30 June 2024 or before)
DAVIS, Glyn	Secretary	01/07/2023	30/06/2024
WILLIAMSON, David*	Acting Secretary	09/08/2023	09/08/2023
HEFREN-WEBB, Liz*	Acting Secretary	21/09/2023	22/09/2023
HEFREN-WEBB, Liz*	Acting Secretary	22/10/2023	28/10/2023
WILLIAMS, Nadine*	Acting Secretary	09/12/2023	18/12/2023
HEFREN-WEBB, Liz*	Acting Secretary	02/01/2024	09/01/2024

* Acted in the position of Secretary at the times listed.

As at 30 June 2024 PM&C consisted of the:

- Economy, Industry and Resilience Group
- Social Policy Group
- International and Security Group
- Governance and Corporate Group
- Office for Women
- Net Zero Economy Agency.

Figure 1: PM&C's organisational structure as at 30 June 2024



International and Security Group		Governance and Corporate Group		Net Zero Economy Agency
Deputy Secretary Graham Fletcher		Deputy Secretary and Chief Operating Officer Martin Hehir PSM		Chief Executive Officer Trevor Power*
Policy Integration AS Jo Leong *	Quad, AUKUS and Naval Shipbuilding FAS Richard Sadleir	Government FAS Andrew Walter	Corporate and Technology FAS Hugh Cameron CSC	Policy, Communications and Corporate FAS Travis Bover*
National Security FAS Philip Kimpton*	Quad and AUKUS Policy AS Alexandra Stevenson	Legal Policy AS Ashleigh McDonald	Shared Services AS Melissa Radford*	Corporate Strategy and Services Chief Operating Officer Robert Twomey
Defence and Intelligence AS Alison Harriden*	Naval Shipbuilding and Nuclear Powered Submarines AS Matthew Flint	Parliamentary and Government AS David Belgrove	People Chief People Officer Melinda Bopping	Policy Coordination AS Linda Rademakers
Domestic Security AS Lisa Webber*	Multilateral Economic Engagement FAS Angelia Grant (G20 Sherpa)	PLO - Senate AS Mark McCormack *	Finance Chief Financial Officer Karyn Cooper	Communications AS Adam Carlon
International FAS Craig Chittick	AS Ian South (G20 Sous Sherpa)	PLO - House of Representatives AS Alex Philp*	Governance, Performance and Audit AS/Head of Internal Audit Liz Caelli *	Regions and Workers FAS Emily Martin*
Global Interests AS David Titheridge	AS/Principal Gender Specialist Chantelle Stratford PSM	Cabinet FAS Paul Hupalo*	Information Services Chief Information Officer Abhishek Tripathi	Regional Transformation AS Josh Cosgrave
Asia AS Edwina Stevens	2024 Independent Intelligence Review Head of IIR Secretariat Kendra Morony	Cabinet Secretariat AS Rebekah Conway*	Business Services AS Samantha Portelli	Worker Transition AS Kevin Quek*
Pacific AS Bill Costello	AS Laura Davern	National Security and Cabinet Systems AS Jane Gillis	Ministerial Support FAS Alison Green*	Industry and Investment FAS James O'Toole*
ASEAN Taskforce Head of Taskforce Karlie Brand*		Cabinet Information and Governance AS Beth Pahl*	Ministerial and Parliamentary Support AS Ben Keily	Insights and Frameworks AS Felicity Ryan
ASEAN Policy AS Linda Yan*			Protocol and International Visits AS Melissa McKay*	Investment Policy AS Jee Karunarathna
ASEAN Operations AS Amy Williams*			Communications AS Dana Robertson	

* Denotes acting arrangement | ** Denotes job sharing arrangement | *** Non-SES position
AS = Assistant Secretary | FAS = First Assistant Secretary | ^ Statutory appointment

Economy, Industry and Resilience Group

The Economy, Industry and Resilience Group supports the Australian Government's economic and industry policy agenda.

Through its central agency role, the group helps partner agencies deliver government priorities by providing advice, coordination and oversight in relation to policies and projects as they progress through the Cabinet and the federal Budget process. It supports the Prime Minister, the Cabinet and PM&C in strategically considering future priorities, identifying and planning for emerging risks, and monitoring the implementation of complex and high-profile government initiatives.

The group provides advice on the domestic economy and the decisions taken in the context of the federal Budget, including matters relating to industry, infrastructure and transport, agriculture, regional development, taxation, superannuation, workplace relations, competition, trade, investment, environment, housing, energy, resources and climate change, as well as crisis management (including disaster preparedness, response and resilience). It is also responsible for administering requirements around the government's Impact Analysis Framework, which helps policymakers develop the evidence base for well-informed decision-making and oversees the government's Future Made in Australia agenda.

In 2023–24 the group's focus was on supporting the delivery of the government's agenda, including cost-of-living relief, more housing supply, responses to natural disasters, the net zero transformation of the economy, and Future Made in Australia. The group also houses PM&C's behavioural economics and strategic policy advisory services, which delivered the new Australian Government Consulting (AGC) capability for the APS that sits within Social Policy Group, and owns the Long-term Insights Briefing function.

The Economy, Industry and Resilience Group also provided a high level of support to the government in response to significant consecutive domestic disasters, and worked to ensure that national crisis management arrangements remain appropriate and fit-for-purpose. In addition, it supported Australia's response to international disasters.

Social Policy Group

The Social Policy Group supports the Prime Minister, the Cabinet and the Australian Government to deliver priority actions in the key areas of health, aged care, education, migration, disability, First Nations policy, and the care and support economy. An important component of this work is leading the engagement between the Commonwealth and the states and territories, including through National Cabinet and its underpinning governance architecture.

In 2023–24 the group supported National Cabinet to progress key reforms aiming to strengthen the health system, secure the future of the National Disability Insurance Scheme (NDIS), deliver secure and affordable housing, and end gender-based violence. It also led work to boost whole-of-government engagement and capability by establishing a Commonwealth–state relations community of practice.

A key priority for the group in 2023–24 was supporting the government to prepare for reforms that address the findings in the final report of the Independent Review into the NDIS and the final report of the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability.

The group continued to support reforms to ensure that the aged care services of the future are sustainable, equitable and improve the quality of life for older Australians. It delivered the final report of the Aged Care Taskforce to government and supported the implementation of key commitments such as higher wages for aged care workers, 24/7 nurses and mandatory care minutes.

The group also continued to support the implementation of the government's election commitment to replace the Community Development Program with a program developed in partnership with First Nations people that delivers real jobs, proper wages and decent conditions.

The Social Policy Group's Care and Support Economy Taskforce advised the government on strategic approaches to reforms across aged care, early childhood education and care, veterans' care, and disability support. The taskforce worked across government and in consultation with key stakeholders and states and territories to improve alignment across care and support policies and programs.

In September 2023 the Prime Minister announced an independent inquiry to review the Australian Government's response to the COVID-19 pandemic and make recommendations to improve response measures for any future pandemic. The inquiry is being conducted by an independent panel, supported by a taskforce based within the department, and will provide a final report to government by 25 October 2024.

With support from the Economy, Industry and Resilience Group, the AGC was established in 2023–24 as an in-house consulting service for the APS, to deliver projects, strengthen APS capability and support the APS to buy better. AGC has delivered several strategic consulting projects that would otherwise have been outsourced to the private sector, as well as a number of strategic workshops for clients. AGC has also released the Consultancy Playbook – guidance to APS agencies on how to get better value when engaging external consultants.

International and Security Group

The International and Security Group provides advice on Australia's foreign policy and national security interests. This includes providing advice to inform the government's consideration of foreign policy and national security matters, and aligning these policies across government.

Against a backdrop of intensifying strategic competition, the International and Security Group supports initiatives to promote Australia's interests and deter and defend against any actions that could damage them. The group supports work with international partners to tackle global challenges, increase trade and investment opportunities, uphold international rules, keep our region stable, and help Australians at home and abroad.

The group comprises 4 divisions which contribute to PM&C's outcome of improving the lives of all Australians by supporting the government to advance Australia's interests across the foreign and national security policy domains.

The National Security Division serves as a nexus for Australia's national security community, providing oversight and aligning policy across the defence, intelligence and domestic security functions of government. It works to progress Australia's strategic interests, including protecting our territory and institutions, to support a safe, united and prosperous Australia. In 2023–24 the division supported the development and release of the inaugural National Defence Strategy and the 2023–2030 Australian Cyber Security Strategy. It also supported the 2023 Review of Integrity Concerns and Governance Arrangements for the Management of Regional Processing Administration (the Richardson Review), the 2024 Independent Intelligence Review, the 2024 Independent Review of Commonwealth Funding for Strategic Policy Work (the Varghese Review), and a suite of ongoing policy initiatives.

The International Division advances Australia's policy priorities through support for the Prime Minister's engagement with foreign leaders, shaping whole-of-government policy outcomes and contributing to Cabinet processes. In 2023–24 the division supported the Prime Minister's travel for a number of international visits, including to co-chair the ASEAN-Australia Summit and to attend the East Asia Summit, the NATO Summit and the Pacific Island Leaders' Meeting. It also provided support for the Prime Minister to host a range of foreign counterparts, including leaders from China, Indonesia, Papua New Guinea, Solomon Islands, Fiji, Vietnam, Laos, Malaysia, the Philippines and New Zealand.

The Multilateral Economic Engagement Division is responsible for providing advice to the Prime Minister on Australia's multilateral economic engagement, including with the G20, the G7, APEC, and multilateral trade agreements. In 2023–24 the division supported the Prime Minister's participation in the G20 New Delhi Leaders' Summit, a G20 Virtual Leaders' Summit, and APEC Leaders' Week.

The Quad, AUKUS and Naval Shipbuilding Division is responsible for implementing 2 key leader-level initiatives: the Quad and AUKUS. It also oversees the delivery of the Royal Australian Navy's enhanced lethality surface fleet and the government's commitment to continuous naval shipbuilding in Australia. In April 2024 AUKUS defence ministers released a joint statement announcing a model for engaging like-minded partners, starting with Japan, on advanced capabilities. The division supports the Department of Defence's maritime capability projects, and in 2023–24 supported the government's consideration of the independent analysis of Navy's surface combatant fleet capability.

Governance and Corporate Group

The Governance and Corporate Group supports the ongoing business of the government by providing support services to the Prime Minister, the Cabinet and Cabinet committees, portfolio ministers and the Governor-General. It also delivers internal corporate and enabling services for the department. The group plays a central role in delivering the Prime Minister's priorities and supporting effective public administration.

As at 30 June 2024 the Governance and Corporate Group comprised the following divisions.

The Cabinet Division supports the Prime Minister, the Cabinet Secretary and the chairs of Cabinet committees to ensure that Cabinet business is conducted in an effective and timely way. It also coordinates and supports all meetings of the Federal Executive Council.

The Corporate and Technology Division provides a broad range of services to the department and shared corporate and technology services for the APS. It is responsible for the department's people services, information and communications technology (including cybersecurity), security, finance, business continuity, property and facilities, and governance, performance, audit and risk management.

The Government Division provides advice on parliamentary processes, the administration of the executive branch of government, and Australia's national honours and symbols. It also supports the Prime Minister on all matters of legal policy.

The Ministerial Support Division is responsible for support arrangements for the Prime Minister and portfolio ministers and their offices. It provides communications support and ministerial and parliamentary support, manages official Guest of Government visits and coordinates logistical and protocol arrangements for the Prime Minister's overseas travel.

In 2023 the APS Integrity Taskforce was established in the Governance and Corporate Group. In November 2023 the Secretaries Board published [Louder than Words: An APS Integrity Action Plan](#) which was prepared by the taskforce.

Office for Women

The Office for Women led the development of Australia's first national strategy to achieve gender equality, *Working for Women: A Strategy for Gender Equality*, which the Minister for Women launched on 7 March 2024. The Office for Women leads whole-of-government oversight to support implementation of the strategy and has collaborated across government to improve gender equality outcomes. The Office for Women will report on progress towards the strategy's vision and ambitions through mechanisms including the release of the annual Status of Women Report Card, the release of a baseline data report and by conducting a mid and end-point review. The Office for Women has also aligned grant activity with *Working for Women*.

The Office for Women is responsible for stewarding the government's commitment to gender-responsive budgeting. A key part of this work is building gender analysis capability across the APS. The Office for Women has developed a range of resources and guidance materials to support agencies, such as *Including Gender: An APS Guide to Gender Analysis and Gender Impact Assessment* and an APS gender analysis community of practice.

In 2023–24 the Office for Women also sharpened its focus on whole-of-government coordination on ending gender-based violence, complementing the work of the Department of Social Services to implement the National Plan to End Violence against Women and Children 2022–2032. In 2022 and 2023 the Office for Women developed amendments to the *Workplace Gender Equality Act 2012* to enable the Workplace Gender Equality Agency to publish new data. This resulted in data on gender pay gaps of private sector employers with 100 or more employees being published for the first time in February 2024, and the first Commonwealth Public Sector Gender Equality Scorecard being published in June 2024.

The Office for Women also continued to support engagement in international forums with a focus on improving outcomes for women, supporting the Minister for Women's attendance at the 68th session of the Commission on the Status of Women meeting in New York in March 2024.

The Jenkins Report Implementation Team supported the Minister for Finance to implement key structural reforms to the Commonwealth parliamentary workplace. The first phase involved establishing the statutory Parliamentary Workplace Support Service (PWSS), which commenced operation on 1 October 2023. The PWSS provides human resources services to parliamentarians and their staff, and other services to support a safe and respectful workplace to a broader cohort of people who work in the Parliament.

The team has also supported the minister with development of, and consultation on, legislation to establish the proposed Independent Parliamentary Standards Commission. These reforms were recommended by the Australian Human Rights Commission in *Set the Standard: Report on the Independent Review into Commonwealth Parliamentary Workplaces*.

Net Zero Economy Agency

In 2023–24 the Net Zero Economy Agency (NZEA) progressed work on the proposed functions of and legislation for the Net Zero Economy Authority. The Bill to establish the authority, including the Energy Industry Jobs Plan, was introduced into Parliament in March 2024. Subject to the passage of the legislation, it is expected that the authority will commence before 1 January 2025.

In May 2024 Dr Iain Ross AO was appointed as the acting chair of the NZEA. Dr Ross brings to the role a wealth of experience and a deep understanding of labour markets and economics. He replaced the outgoing chair, the Hon Greg Combet AO, who began his role in July 2023 and was integral in laying the foundations for the Net Zero Economy Authority.

The Advisory Board of the NZEA provided regular advice to the NZEA's Chair and Chief Executive Officer to inform the priorities and direction of the agency. Five advisory board meetings were held in 2023–24. Its members contributed expert perspectives to assist the NZEA, including on the design of the authority and its functions, its priorities and the associated legislative package.

Throughout the year, the NZEA continued to engage with stakeholders, including federal, state and local government representatives, First Nations groups, and communities in key regions. It met with over 300 stakeholders and participated in over 100 onsite visits across the priority regional communities that are feeling the immediate impact of the net zero transition. This important activity supports policy development, investment facilitation and coordination of government supports for affected workers, their families and the regional communities. Key engagement activities included a visit to Biloela, home to the Callide Power Station, a trip to Gladstone to present at the Transition Investor Experience, and a visit to the Hunter Valley for the Business Hunter Summit.

Pending its establishment as an authority, the NZEA will continue its work into 2024–25, supporting the orderly and positive economic transformation to ensure Australia, its regions and its workers realise and share the benefits of the net zero economy.

Outcomes and programs

In achieving PM&C's purpose for 2023–24, we worked to deliver against the key priorities outlined in the Portfolio Budget Statements 2023–24 (PBS), Portfolio Additional Estimates Statements 2023–24 and Portfolio Supplementary Additional Estimates Statements 2023–24 (see Table 2).

Our Corporate Plan 2023–24 outlined how these key priorities would be achieved and how achievement and success would be measured.

Table 2: Purpose, outcome and program 2023–24

Purpose	PBS Outcome 1	Program 1.1
To provide support to the Prime Minister, the Cabinet, portfolio ministers and assistant ministers to improve the lives of all Australians, including through coordination of government activities, effective policy advice and development, and program delivery.	Provide high-quality policy advice and support to the Prime Minister, the Cabinet, portfolio ministers and assistant ministers, including through coordination of government activities, policy development and program delivery.	Prime Minister and Cabinet

Part 2: Annual performance statements



Statement of preparation

I, Glyn Davis, as the Accountable Authority of the Department of the Prime Minister and Cabinet (PM&C), present the annual performance statements 2023–24 of PM&C, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and the Public Governance, Performance and Accountability Rule 2014.

In my opinion, the annual performance statements accurately reflect the performance of the department for 2023–24 and comply with subsection 39(2) of the PGPA Act.



Professor Glyn Davis AC
Secretary

14 October 2024

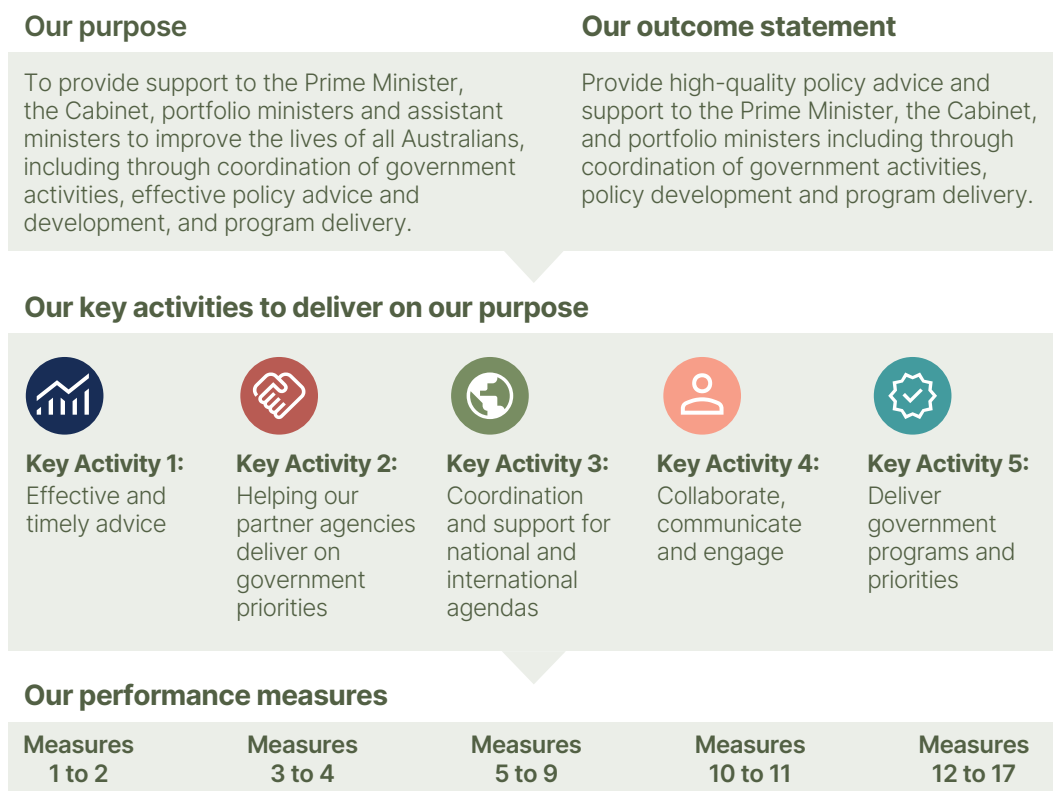
Performance reporting framework

PM&C’s annual performance statements 2023–24 report on the department’s performance for the period from 1 July 2023 to 30 June 2024 and provide an assessment of performance against the key activities, performance measures and targets in the Corporate Plan 2023–24.

In 2023 PM&C reviewed its performance reporting framework, adjusting key activities and refining performance measures. This enables us to continue to improve the way we measure and report on our performance while still measuring success over time.

Figure 2 demonstrates how our key activities and performance measures map to our purpose as published in our Corporate Plan 2023–24 and PM&C’s outcome as set out in our Portfolio Budget Statements 2023–24.

Figure 2: Performance reporting framework 2023–24



Performance results

During 2023–24 PM&C provided effective advice and support to our key stakeholders. We effectively collaborated with stakeholders to support the government in addressing wide-ranging and significant issues, including strategic, security and geopolitical priorities. In our APS leadership role, we successfully transferred APS Reform Office functions to the Australian Public Service Commission and established the Net Zero Economy Agency.

Nine performance measures rely on an annual external stakeholder satisfaction survey which PM&C conducts to assess the level of satisfaction with various elements of our work. PM&C seeks feedback from ministers, ministerial office staff and non-ministerial stakeholders to evaluate our performance against a number of key activities. The results are based on the average percentage of survey respondents who provided positive ratings (which indicates their satisfaction) and include ratings of 4 (agree/satisfied) or 5 (strongly agree/very satisfied) to relevant questions. Further information on the survey methodology can be found in the Notes to the Annual Performance Statements – stakeholder survey.

PM&C received largely positive results from stakeholders through our annual stakeholder satisfaction survey, particularly in relation to our coordination and support for relevant international engagements; our support to the Cabinet and its committees; the effectiveness, timeliness and responsiveness of our advice; and the effectiveness of stakeholder collaboration, communication and engagement exercises.

Overview of results

Overall, PM&C performed well against the key activities and performance measures set out in the Corporate Plan 2023–24. As summarised in Table 3, of the 17 performance measures in the corporate plan, we achieved the target for 13 measures, partially achieved the target for 3 measures, and did not achieve the target for one measure.²

Table 3: Performance results summary 2023–24

Result	Key activity 1	Key activity 2	Key activity 3	Key activity 4	Key activity 5	Total
Achieved	1	1	5	1	5	13
Partially achieved	1	0	0	1	1	3
Not achieved	0	1	0	0	0	1
Total	2	2	5	2	6	17

Our results against each performance measure and analysis supporting each reported result can be found on pages 28 to 55. In calculating our performance results, we have used the definitions outlined on page 36 of the Corporate Plan 2023–24 (see Table 4).

² In 2022–23 we achieved 14 performance measures and partially achieved 3 (out of 17).

Table 4: Performance results definitions

Achieved	<ul style="list-style-type: none">• Intended result: Equal to or greater than 75% of performance measures were achieved• Performance measure: In the 2023–24 reporting period, the department delivered against the performance measure target
Partially achieved	<ul style="list-style-type: none">• Intended result: Between 51% and 74% of performance measures were achieved• Performance measure: In the 2023–24 reporting period, the department partially achieved against the performance measure target
Not achieved	<ul style="list-style-type: none">• Intended result: Less than 51% of performance measures were achieved• Performance measure: In the 2023–24 reporting period, the department did not achieve against the performance measure target

To support readers to compare our results over time, we have included the performance results presented in PM&C’s Annual Report 2022–23 alongside the 2023–24 results. As numbering of performance measures changed between PM&C’s Corporate Plan 2022–26 (results reported in Annual Report 2022–23) and Corporate Plan 2023–24 (results reported in this annual report), we have included references to previous performance measure numbering in footnotes.

Key activity 1: Effective and timely advice

PM&C plays a key role in supporting informed decision-making by ensuring the Prime Minister, the Cabinet and our portfolio ministers and assistant ministers are provided with effective and timely advice. It is important that this advice is supported by data, takes a whole-of-government and whole-of-nation perspective, and incorporates the views of a diverse range of stakeholders.

We evaluate this activity by measuring the extent to which our stakeholders are satisfied with our efforts, and the timeliness of our advice.

Intended result 1.1 PM&C provides effective and timely advice to inform ministerial decision-making	Partially achieved
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As a key adviser to the Prime Minister, the Cabinet and our portfolio ministers, it is important we support decision-makers with advice that is effective and delivered within requested timeframes, supported by evidence and data, and considers the views of a diverse range of stakeholders.

Performance measure 1: Percentage of ministers, ministerial and non-ministerial stakeholders satisfied with effectiveness, timeliness and responsiveness of advice received

Target ³	2023–24 result	2022–23 result ⁴
76% satisfied	Achieved , 83% satisfied	Achieved, 75% satisfied

Data source / methodology	Data collected and reported by PM&C’s independent annual stakeholder survey
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Source	<ul style="list-style-type: none"> Portfolio Budget Statements 2023–24, Outcome 1, Program 1.1 Corporate Plan 2023–24, page 40
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Analysis

As a key adviser to the Prime Minister, the Cabinet and our portfolio ministers, it is important we support decision-makers with advice that is effective, timely and responsive. This positions us to assist the Prime Minister, the Cabinet, portfolio ministers and assistant ministers, and our APS counterparts with the government’s most complex and strategic priorities.

³ Targets for survey measures increase 1% year on year - refer to Corporate Plan 2023–24.
⁴ Previously measure 1.1.1.



PM&C conducts an annual external stakeholder satisfaction survey to assess the level of satisfaction with our monitoring and reporting on the delivery of government priorities. The survey assessed the effectiveness of our advice by asking stakeholders if our advice was supported by adequate evidence, considered the views of relevant stakeholders and experts, took a whole-of-government perspective, and added value in informing decision-making. The survey assessed the efficiency of our advice by asking stakeholders whether our advice was provided in a timely manner and whether we were responsive to requests for advice.

Overall, a satisfaction rating of 83% was achieved. The overall result has been calculated by applying an equal weighting to the overall effectiveness index of 75% and satisfaction with efficiency index of 92%.

This result is an improvement of 8 percentage points on the previous year's result. When asked about what PM&C had done well in providing advice, stakeholder responses commonly referred to our support, guidance and representation, including consideration of whole-of-government perspectives and broader context; and our effective communication and responsiveness. However, responses also indicated we have room for improvement in the timing of our engagement with stakeholders to support them to provide input where appropriate.

Performance measure 2: Percentage of ministerial briefs provided within agreed timeframes

Target	2023–24 result	2022–23 result⁵
81%	Partially achieved , 62% of ministerial briefs were provided within agreed timeframes, with a further 31% of ministerial briefs provided within 24 hours of the lapsed date. Overall, 93% of ministerial briefs were provided within 24 hours of the due date.	Partially achieved, 62% of ministerial briefs were provided within agreed timeframes, with a further 28% provided within 24 hours of the lapsed due date. Overall, 90% of ministerial briefs were provided within 24 hours of the due date.

Data source / methodology Data collected via the Parliamentary Document Management System (PDMS). Briefs include ministerial briefs that have been requested by the offices and submitted to the Prime Minister and portfolio ministers via PDMS within the reporting period.

- Source**
- Portfolio Budget Statements 2023–24, Outcome 1, Program 1.1
 - Corporate Plan 2023–24, page 41

Analysis

The department formally communicates with our portfolio ministers' offices through ministerial briefs and submissions via PDMS. Ministerial submissions are department-initiated communication to the relevant portfolio minister, providing information or policy advice for consideration. Ministerial briefs are ministerial office-initiated communication that our portfolio ministers' offices use to request information as a basis for decision-making and action.

⁵ Previously measure 1.1.2.



Whilst the target was partially met, overall 93% of briefs that were initiated by ministerial offices were either provided on target or within 24 hours of target deadlines. Submission rates for ministerial briefs were as follows:

- 62% of ministerial briefs were submitted within the agreed timeframe
- 31% of ministerial briefs were submitted within 24 hours after the agreed timeframe
- 7% of ministerial briefs were submitted more than 24 hours after the agreed timeframe.

PDMS reports a brief as 'overdue' if it is not delivered by the exact time (hour and minute) set as the target deadline in PDMS. While the target result of 62% is consistent with 2022–23, the percentage of ministerial briefs submitted within 24 hours of the agreed timeframe increased by 3 percentage points for 2023–24.

During the year, PM&C undertook a range of activities to improve delivery timeframes for briefings and submissions. This included a departmental communications campaign; workshops and training programs; and regular reporting and information sharing to highlight the importance of timeliness. We will continue to monitor timeframes and work with staff and stakeholders to address shortfalls with a view to improving performance.

Key activity 2: Helping our partner agencies deliver on government priorities

We serve the Prime Minister, who is responsible for the delivery of government priorities. In support of this, PM&C uses a range of mechanisms (including our role of supporting government departments and our understanding of the Prime Minister’s priorities) to help APS agencies to succeed and ensure government policies, programs and decisions are successfully implemented.

We evaluate this activity by measuring the extent to which ministers and ministerial stakeholders are satisfied with the level of monitoring and reporting on the delivery of government priorities, and the extent to which non-ministerial stakeholders are satisfied with our monitoring, reporting and understanding of the Prime Minister’s priorities.

Intended result 2.1: PM&C effectively monitors and reports progress on the delivery of government priorities	Partially achieved
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A core aspect of our role is to collaborate with and support the APS to deliver key government priorities. We do this by monitoring and reporting progress on priorities to the government. We also use our understanding of the Prime Minister’s priorities and government processes to support the APS to deliver on these priorities to the satisfaction of the Prime Minister and our portfolio ministers. The measures seek to evaluate how well we undertake these functions through the independent annual stakeholder satisfaction survey.

Performance measure 3: Percentage of ministers and ministerial stakeholders satisfied with the level of monitoring and reporting on the delivery of government priorities

Target	2023–24 result	2022–23 result ⁶
76% satisfied	Not achieved , 50% satisfied	Partially achieved, 67% satisfied
Data source / methodology	Data collected and reported by PM&C’s independent annual stakeholder survey	
Source	<ul style="list-style-type: none"> Portfolio Budget Statements 2023–24, Outcome 1, Program 1.1 Corporate Plan 2023–24, page 44 	

⁶ Previously measure 2.1.1.



Analysis

PM&C collaborates with and supports the APS to deliver key government priorities by monitoring and reporting progress to the government. We use a range of mechanisms, together with our understanding of the government's priorities and government processes, to support the APS's delivery of government priorities.

PM&C conducts an annual external stakeholder satisfaction survey to assess the level of satisfaction with our monitoring and reporting on the delivery of government priorities. This includes structured interviews with ministers, or their delegates, to assess our performance. The results are based on the average percentage of survey respondents who provided positive ratings (which indicates their satisfaction) and include ratings of 4 (agree/satisfied) or 5 (strongly agree/very satisfied) to relevant questions.

Responses to applicable survey questions for this performance measure were a mix of positive and neutral responses – with no negative responses – resulting in an overall satisfaction rating of 50%. Neutral responses (that is, neither satisfied nor dissatisfied) do not count towards the satisfaction rating (see Notes to the Annual Performance Statements – stakeholder survey for more information about the survey methodology).

Notably, despite the lower levels of satisfaction compared to 2022–23, no respondents were dissatisfied with PM&C's performance in relation to these activities. However, the department will continue to engage with our ministers' offices to identify areas for improvement.

Performance measure 4: Percentage of non-ministerial stakeholders satisfied with PM&C's monitoring, reporting and understanding of the Prime Minister's priorities

Target	2023–24 result	2022–23 result ⁷
76% satisfied	Achieved , 82% satisfied	Achieved, 84% satisfied

Data source / methodology Data collected and reported by PM&C's independent annual stakeholder survey

Source

- Portfolio Budget Statements 2023–24, Outcome 1, Program 1.1
- Corporate Plan 2023–24, page 45

Analysis

Through our monitoring activities and our understanding of government priorities, we assist our partners with responding flexibly to changing demands. At the same time, through our reporting activities we are able to keep the Prime Minister and the government informed on the progress of key commitments.

PM&C conducts an annual external stakeholder satisfaction survey to assess the level of satisfaction with the monitoring, reporting and understanding of the Prime Minister's priorities. The survey assessed PM&C's effectiveness in this area by asking non-ministerial stakeholders if we had a good understanding of government priorities and processes, effectively monitored progress on government priorities, and supported their organisation to deliver on government priorities.

Overall, 82% of non-ministerial stakeholders were satisfied with PM&C's monitoring, reporting and understanding of the Prime Minister's priorities. While a slight decrease from the previous year's result of 84%, we exceeded the increased target for 2023–24 by 6 percentage points. When asked about what PM&C had done well in helping partner agencies to deliver on government priorities, key strengths identified by respondents included our leadership, advocacy, providing guidance on policy matters, usefulness of advice and helping agencies to deliver on outcomes.

⁷ Previously measure 2.1.2.



Key activity 3: Coordination and support for national and international agendas

PM&C plays an important role in driving a whole-of-government and whole-of-nation approach, at both a national and international level. In doing so, we collaborate closely with state and territory governments, and foreign counterparts, to develop relationships. These relationships are important in influencing national and international frameworks that advance and protect Australia's interests.

We evaluate this key activity through a collection of measures that capture the deliverables we have supported in pursuit of national and international outcomes, and the extent to which our stakeholders are satisfied with our efforts.

<p>Intended result 3.1: PM&C effectively supports, coordinates and develops a national approach to support the delivery of government priorities</p>	<p>Achieved</p>
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We support the delivery of government priorities that have national and international implications. This includes whole-of-government arrangements for emergency management, national resilience and government priorities that require close coordination and collaboration across the APS enterprise and with state and territory governments.

Performance measure 5: Number of national plans and responses that achieved a key milestone during the reporting period

Target	2023–24 result	2022–23 result ⁸
One milestone achieved, per national plan or response, during the reporting period	Achieved , at least one milestone achieved for 16 national plans or responses	Achieved, at least one milestone achieved for 6 national plans or responses
Data source / methodology	Departmental records on the number of national plans and responses that delivered against a key milestone	
Source	<ul style="list-style-type: none"> Portfolio Budget Statements 2023–24, Outcome 1, Program 1.1 Corporate Plan 2023–24, page 48 	

⁸ Previously measure 3.1.1.



Analysis

We support the delivery of government priorities that have national and international implications. National plans or responses are defined as any plan or response that supports the delivery of key government priorities and is developed to address whole-of-nation or whole-of-government issues.

National plans or responses may advance Australia's interests either domestically or internationally. They are developed and implemented in collaboration with state and territory governments, APS colleagues, relevant stakeholders and/or international partners. PM&C's role may include a combination of leading or supporting the development, implementation or closure of the national plan or response.

Key milestones were achieved for 16 national plans or responses in collaboration with our APS, state and territory counterparts. Of these 16, the national plans or responses led by PM&C include:

- Australian Government Crisis Management Framework
- National Strategy for the Care and Support Economy
- National strategy to achieve gender equality – *Working for Women: A Strategy for Gender Equality*
- Commonwealth Government COVID-19 Response Inquiry
- 2024 ASEAN-Australia Special Summit
- Independent Review of Commonwealth Funding for Strategic Policy Work.

In addition, PM&C supported other agencies to deliver milestones for 10 national plans and responses.

Performance measure 6: Percentage of ministers, ministerial and non-ministerial stakeholders satisfied with the coordination and support provided by PM&C in the delivery of national plans and responses

Target	2023–24 result	2022–23 result⁹
76% satisfied	Achieved , 91% satisfied	Achieved, 79% satisfied
Data source / methodology	Data collected and reported by PM&C’s independent annual stakeholder survey	
Source	<ul style="list-style-type: none"> • Portfolio Budget Statements 2023–24, Outcome 1, Program 1.1 • Corporate Plan 2023–24, page 49 	

Analysis

In 2023–24 PM&C supported and coordinated the delivery of national plans and responses as outlined in performance measure 5.

PM&C conducts an annual external stakeholder satisfaction survey to assess the level of satisfaction with the coordination and support provided by PM&C in the delivery of national plans and responses. The survey assessed this performance measure by asking stakeholders if we worked effectively to coordinate and support the delivery of national plans and responses and if we collaborated effectively with their organisation.

Overall, a rating of 91% was achieved – an increase of 12 percentage points on the 2022–23 result. This rating has been calculated by applying an equal weighting to the satisfaction index of 100% and effectiveness index of 91%.

Stakeholders particularly noted PM&C’s early engagement to support decision-making, our ability to bring stakeholders together and work collaboratively with other agencies, and representing whole-of-government views as reasons for their level of satisfaction.

⁹ Previously measure 3.1.2.



Intended result 3.2: PM&C effectively coordinates and supports the Prime Minister’s and portfolio ministers’ international engagements

Achieved

We support the delivery of government priorities that have national and international implications. This includes advancing Australia’s strategic interests through international engagements that require coordination and collaboration across the APS and with our international counterparts, including overseas visits and attendance at forums.

Performance measure 7: Percentage of Prime Minister’s international visits, virtual engagements and Guest of Government visits delivered

Target	2023–24 result	2022–23 result
100%	Achieved, 100%	35 overseas visits by the Prime Minister, virtual engagements and Guest of Government visits were delivered ¹⁰

Data source / methodology Percentage of international visits, virtual engagements and Guest of Government visits that went ahead during the reporting period.

Source

- Portfolio Budget Statements 2023–24, Outcome 1, Program 1.1
- Corporate Plan 2023–24, page 50

Analysis

One of our core functions is to serve the Prime Minister by working with the Prime Minister’s Office to provide operational support for important overseas visits within required timeframes. These visits enable the Prime Minister to participate in multilateral forums and to further enhance Australia’s bilateral relationships.

¹⁰ Previous performance measure 3.2.1 counted the number of Prime Minister’s overseas visits, virtual engagements and Guest of Government visits delivered rather than calculating a percentage target.

To measure our performance in this area, data is collected by tracking our international visits and engagement. This allows us to assess the number of overseas visits, events, virtual engagements and Guest of Government visits during the reporting period.

In 2023–24 PM&C delivered a range of international visits by the Prime Minister, virtual engagements and Guest of Government visits. PM&C also successfully delivered the incoming Guest of Government program and managed a number of Heads of State, Heads of Government and ministerial visits.

This year's program comprised:

- visits by Heads of State from Indonesia and the Philippines
- visits by Heads of Government from Fiji, Papua New Guinea (twice), New Zealand, Malaysia, Lao, Vietnam, China and Solomon Islands
- ministerial visits from the United States of America (Secretary of State, Secretary of Defense, and Commander, United States Indo-Pacific Command), China (Minister of Foreign Affairs) and the United Kingdom (Secretary of State for Foreign, Commonwealth and Development Affairs and Secretary of State for Defence).



Performance measure 8: Percentage of ministers, ministerial and non-ministerial stakeholders satisfied with PM&C's coordination and support for international engagements undertaken by the Minister for Women and by other key parties supported by the Office for Women

Target	2023–24 result	2022–23 result ¹¹
76% satisfied	Achieved , 92% satisfied	Achieved, 82% satisfied

Data source / methodology Data collected and reported by PM&C's independent annual stakeholder survey

Source

- Portfolio Budget Statements 2023–24, Outcome 1, Program 1.1
- Corporate Plan 2023–24, page 51

Analysis

In 2023–24 we worked with the Minister for Women and her office to promote Australia's interests and deepen cooperation between Australia and other nations pertaining to women's safety, economic security, leadership and other international issues. We did this by providing support for the minister's participation in international engagements and forums.

PM&C conducts an annual external stakeholder satisfaction survey to assess the level of satisfaction with the coordination and support for these international engagements. The survey asked stakeholders whether we worked effectively to coordinate and support international engagements and whether we collaborated effectively with their organisation.

Overall, the level of satisfaction with our coordination and support for international engagements undertaken by the Minister for Women, and by other key parties supported by the Office for Women, was 92% – an increase of 10 percentage points on the 2022–23 result for this performance measure. The overall result has been calculated by applying an equal weighting to the overall effectiveness index of 84% and satisfaction with efficiency index of 100%.

When asked about the positive aspects of PM&C's coordination and support for international engagements undertaken by the Minister for Women, stakeholders referred to useful advice and knowledge provided by PM&C, and the effective collaboration, consultation and coordination with partner agencies.

¹¹ Previously measure 3.2.2.

Performance measure 9: Percentage of ministers, ministerial and non-ministerial stakeholders satisfied with the coordination and support provided by PM&C for the Prime Minister’s international engagements

Target	2023–24 result	2022–23 result ¹²
76% satisfied	Achieved , 95% satisfied	Achieved, 89% satisfied

Data source / methodology Data collected and reported by PM&C’s independent annual stakeholder survey

Source

- Portfolio Budget Statements 2023–24, Outcome 1, Program 1.1
- Corporate Plan 2023–24, page 52

Analysis

One of our core functions is to support the Prime Minister’s engagement with international stakeholders. We achieve this by working with the Prime Minister’s Office to support important overseas visits, deliver on international policy priorities, create announcements and implement agreements and key strategic partnerships.

PM&C conducts an annual external stakeholder satisfaction survey which includes questions to assess the level of satisfaction with the coordination and support provided for the Prime Minister’s international engagements. Nearly all stakeholders agreed PM&C worked effectively to coordinate and support the Prime Minister’s international engagements, and most agreed that PM&C collaborated effectively with their organisation. In addition to satisfaction with both aspects being higher than in 2022–23, levels of dissatisfaction declined overall.

Overall, a satisfaction rating of 95% was achieved for this performance measure compared to 89% in 2022–23. The result has been calculated by applying an equal weighting to the overall effectiveness index of 90% and satisfaction with efficiency index of 100%. PM&C’s collaboration, coordination and management of the Prime Minister’s international engagements was referred to as a particular strength, however consultation and engagement were identified as areas for improvement.

¹² Previously measure 3.2.3.



Key activity 4: Collaborate, communicate and engage

PM&C provides support to the Prime Minister and our portfolio ministers and assistant ministers to engage with the community. This role requires our staff to have strong communication skills and expertise, as well as a deep understanding of audiences. Effective collaboration, communication and engagement are important aspects of delivering the other 4 key activities outlined in the corporate plan.

We evaluate this key activity by measuring the timeliness of our handling of incoming ministerial correspondence, and the extent to which our stakeholders are satisfied with our collaboration, communication and engagement activities.

Intended result 4.1: PM&C effectively communicates and engages with key stakeholders and the Australian community

Partially achieved

Effective collaboration, communication and engagement underpin every aspect of PM&C's work. Our measures focus on PM&C's effectiveness when engaging with a range of stakeholders and communicating with the Australian community.



Performance measure 10: Percentage of incoming ministerial correspondence triaged and assigned for appropriate action within 5 working days

Target	2023–24 result	2022–23 result ¹³
95%	Partially achieved , 77%	Partially achieved, 94%

Data source / methodology Data collected on proportion of incoming ministerial correspondence triaged and assigned for action in PDMS

Source

- Portfolio Budget Statements 2023–24, Outcome 1, Program 1.1
- Corporate Plan 2023–24, page 54

Analysis

The Prime Minister and portfolio ministers place a very high level of importance on correspondence as a key mechanism to engage with the public, colleagues and counterparts. Therefore, it is essential PM&C triages and assigns ministerial correspondence in a timely manner.

To measure the effectiveness with which we manage ministerial correspondence, we run regular reports in PDMS to determine the proportion of incoming correspondence that has been triaged and assigned for appropriate action within 5 business days. This process is governed by PM&C's briefing and correspondence guidelines which include information on triaging, drafting rules, ministerial preferences, clearances and timeframes.

For the period 1 July 2023 to 30 June 2024, PM&C received and triaged 144,506 items of correspondence, compared to 89,587 items of correspondence in 2022–23. Of these items, 111,149 (77%) were triaged and assigned for appropriate action within the target of 5 working days. The remaining 33,357 (23%) were triaged and assigned for appropriate action after 5 working days.

The department monitors trending themes of the unprocessed queue of correspondence daily. Where appropriate, staff can be reallocated to assist with handling of surges in correspondence.

¹³ Previously measure 4.1.1.

Performance measure 11: Percentage of ministers, ministerial and non-ministerial stakeholders satisfied with the effectiveness of PM&C’s stakeholder collaboration, communication and engagement activities

Target	2023–24 result	2022–23 result ¹⁴
76% satisfied	Achieved , 90% satisfied	Achieved, 91% satisfied

Data source / methodology Data collected and reported by PM&C’s independent annual stakeholder survey

Source

- Portfolio Budget Statements 2023–24, Outcome 1, Program 1.1
- Corporate Plan 2023–24, page 55

Analysis

For PM&C – a central agency that touches every point of public policy – successful stakeholder collaboration, communication and engagement is critical.

PM&C conducts an annual external stakeholder satisfaction survey to assess the level of satisfaction with the effectiveness of PM&C’s stakeholder collaboration, communication and engagement activities.

The survey assessed the effectiveness of our stakeholder collaboration, communication and engagement activities by asking stakeholders if PM&C communicated with them effectively, engaged with them in a respectful manner, provided sufficient information to their organisation and listened to them. The survey assessed the efficiency of our collaboration, communication and engagement activities by asking stakeholders if we provided information to their organisation in a timely manner and responded in an appropriate timeframe to issues or concerns.

Our stakeholders’ satisfaction with PM&C’s stakeholder collaboration, communication and engagement activities in 2023–24 was 90%. The overall result is consistent with 2022–23, and has been calculated by applying an equal weighting to the overall effectiveness index of 79% and satisfaction with efficiency index of 100%.

¹⁴ Previously measure 4.1.2.



Key activity 5: Deliver government programs and priorities

PM&C is directly responsible for delivering some Australian Government programs. We also support the Cabinet as the focal point of government decision-making and assist the PM&C Secretary in their APS stewardship responsibilities. We deliver well-coordinated corporate and enabling services that support our business operations and those of our portfolio agencies.

In measuring our performance against this key activity, we primarily assess stakeholder satisfaction with our efforts and the volume of our output.

Intended result 5.1: PM&C effectively delivers the Women’s Leadership and Development Program	Partially achieved
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PM&C is directly responsible for delivering some Australian Government programs. This includes the Women’s Leadership and Development Program.

Performance measure 12: Percentage of government agreed grant funding decisions under the Women’s Leadership and Development Program executed by the department

Target	2023–24 result	2022–23 result¹⁵
85%	Partially achieved , 77%	Achieved, 100%
Data source / methodology	Data collected from the Department of Social Services Community Grants Hub’s Grants Processing System and all government funding decisions recorded in PDMS. For the purposes of reporting against this performance measure, grant funding decisions are those that are approved by the Minister for Women, to allocate funding in the reporting period, and are executed within the same reporting period.	
Source	<ul style="list-style-type: none"> • Portfolio Budget Statements 2023–24, Outcome 1, Program 1.1 • Corporate Plan 2023–24, page 58 	

¹⁵ Previously measure 5.1.1.



Analysis

In 2023–24 the Minister for Women agreed to 13 grant funding decisions under the Women’s Leadership and Development Program. PM&C made 13 offers of funding via variations to existing grant agreements, 10 of which (77%) had been fully executed by 30 June 2024.

Funding was provided to the National Women’s Alliances for a lead alliance to coordinate and draft an independent shadow report for the Convention on the Elimination of All Forms of Discrimination Against Women. PM&C conducted a selection process to award the funding, which took approximately 3 months. A deed of variation with the successful applicant – National Rural Women’s Coalition – was executed on 9 November 2023.

Funding was also provided to vary the 6 National Women’s Alliances grant agreements for 5 months in 2024–25 (from 1 July 2024 to 30 November 2024). As part of the extension, approval was provided to apply indexation in line with the relevant Wage Cost Index (WCI). As the WCI rate was not published until May 2024, it was agreed to action the variations in 2 stages.

- Stage 1: PM&C offered the alliances a deed of variation for the extension in late 2023, to provide assurance and continuity of service. All 6 deeds of variation were executed by 14 February 2024.
- Stage 2: PM&C offered a deed of variation to provide indexation through a separate process once the exact WCI rate was confirmed by the 2024–25 Budget on 14 May 2024. All 6 deeds of variation were offered on 14 June 2024. Three were executed by 30 June 2024.

Due to timing of the variations to allow for application of indexation, the remaining 3 grant agreements were finalised by the recipient organisations within the first quarter of 2024–25, after the applicable reporting period.

Intended result 5.2: PM&C effectively supports the Cabinet and its committees

Achieved

PM&C is responsible for supporting the activities of the Cabinet and its committees as outlined in the Cabinet Handbook.

Performance measure 13: Percentage of ministers, ministerial and non-ministerial stakeholders satisfied with PM&C’s support to the Cabinet and its committees

Target	2023–24 result	2022–23 result ¹⁶
76% satisfied	Achieved , 91% satisfied	Achieved, 93% satisfied

Data source / methodology Data collected and reported by PM&C’s independent annual stakeholder survey

- Source**
- Portfolio Budget Statements 2023–24, Outcome 1, Program 1.1
 - Corporate Plan 2023–24, page 59

Analysis

To ensure the Cabinet and Cabinet committees are focusing on what matters most to the government, PM&C works closely with the Cabinet Secretary to provide support to the Cabinet and its committees. We also work closely with other departments to ensure items prepared for consideration are fit-for-purpose and comply with their authority to come forward.

PM&C conducts an annual external stakeholder satisfaction survey to assess the level of satisfaction with PM&C’s support for Cabinet and its committees. Stakeholders were asked whether PM&C worked effectively to support the Cabinet and its committees and whether we collaborated effectively with their organisation.

Overall, a satisfaction rating of 91% across stakeholder groups was achieved, which is consistent with last year’s result. This has been calculated by applying an equal weighting to the overall effectiveness index of 81% and satisfaction with efficiency index of 100%.

¹⁶ Previously measure 5.2.1.



Intended result 5.3: PM&C contributes to the delivery of government priorities through high-quality policy projects using structured policy analysis and application of behavioural insights

Achieved

PM&C plays a key leadership role in ensuring the APS delivers on the Prime Minister’s and the government’s priorities. This includes the provision of project and policy analysis to support the business activities of the department, the Prime Minister, the Cabinet, portfolio ministers and the APS enterprise.

Performance measure 14: Number of advisory and evaluation projects completed that contribute to the delivery of government priorities through the application of behavioural insights

Target	2023–24 result	2022–23 result ¹⁷
20 projects completed	Achieved , 21 projects completed	Achieved, 35 projects completed

Data source / methodology Data collected on number of advisory and evaluation projects via overarching project tracker. Count all in scope advisory and evaluation projects within the reporting period.

- Source**
- Portfolio Budget Statements 2023–24, Outcome 1, Program 1.1
 - Corporate Plan 2023–24, page 60

Analysis

PM&C advances the wellbeing of Australians by applying behavioural insights and rigorous evaluation to public policy and administration.

Through quantitative and qualitative research projects, the Behavioural Economics Team of the Australian Government has contributed to a range of policy areas and government priorities, including achieving net zero by 2030, addressing cost of living pressures, and supporting preventive health initiatives.

Successful projects include an evaluation of the Easy Vaccination Access service, a diagnostic report on young people in residential aged care, and advice on encouraging uptake of shared paid parental leave.

¹⁷ Previously measure 5.3.1.

Performance measure 15: Percentage of ministers, ministerial and non-ministerial stakeholders satisfied that PM&C effectively contributes to the delivery of government priorities by using structured policy analysis

Target	2023–24 result	2022–23 result ¹⁸
76% satisfied	Achieved , 88% satisfied	Achieved, 78% satisfied

Data source / methodology Data collected and reported by PM&C’s independent annual stakeholder survey

Source

- Portfolio Budget Statements 2023–24, Outcome 1, Program 1.1
- Corporate Plan 2023–24, page 61

Analysis

PM&C provides high-quality project and policy analysis to support the business activities of the department, the Prime Minister, the Cabinet, portfolio ministers and the APS enterprise.

PM&C conducts an annual external stakeholder satisfaction survey to assess the level of satisfaction with the department’s contribution to the delivery of government priorities through structured policy analysis. The survey assessed the effectiveness of our structured policy analysis by asking stakeholders if the analysis was tailored to their needs, delivered solutions to problems, was of high quality, and added value in delivery of projects or in informing decision-making. The efficiency of our structured policy analysis was assessed by asking stakeholders if it was provided in a timely manner.

A satisfaction rating of 88% with PM&C’s contribution to the delivery of government priorities through structured policy analysis was achieved. This was a significant increase on the 2022–23 result of 78%. The overall result has been calculated by applying an equal weighting to the effectiveness index of 92% and efficiency index of 84%. Perceptions of PM&C’s structured policy analysis improved across all aspects compared to 2023. External stakeholders were most positive about the timeliness of delivery, effectiveness of collaboration and the value added to their projects.

¹⁸ Previously measure 5.3.2.



Intended result 5.4: PM&C supports APS Reform outcomes, and transitions the APS Reform Office functions to the Australian Public Service Commission

Achieved

PM&C is responsible for transitioning responsibility for the APS Reform Office to the Australian Public Service Commission (APSC) and supporting a range of APS Reform outcomes.

Performance measure 16: PM&C continues to support APS Reform outcomes and transitions the APS Reform Office functions to the Australian Public Service Commission

Target	2023–24 result	2022–23 result
APS Reform Office transitioned to the Australian Public Service Commission by 31 December 2023	Achieved , all APS Reform Office functions were successfully transitioned to the APSC by 31 December 2023	Not applicable (new measure) ¹⁹

Data source / methodology Analysis of the transition of APS Reform Office functions to the APSC based on data collected throughout the transition process.
The result will be supplemented by an analysis of PM&C’s efforts to act as a leader and whole-of-service enabler of APS reform outcomes. The analysis will investigate the breadth and variety of work undertaken by PM&C to lead, support and embed APS reform across the sector – including program initiatives.

Source

- Portfolio Budget Statements 2023–24, Outcome 1, Program 1.1
- Corporate Plan 2023–24, page 62

Analysis

On 23 May 2023 the Prime Minister outlined changes to the Administrative Arrangements Order relating to public sector reform. This included the transfer of APS Reform Office functions from PM&C to the APSC to be finalised by the end of 2023, with details of the implementation agreed by agency heads. The transfer was facilitated in 2 stages. The first stage was completed on 6 July 2023. The second stage, which included the final transfer of staff, payroll and ICT assets, was completed by 31 December 2023.

¹⁹ Performance measure 5.4.2 in Corporate Plan 2023–24 – Establishment of a new APS Reform agenda – was completed as reported in Annual Report 2022–23.

The governance arrangements for the transition were managed through steering committee and working group arrangements.

In 2023–24 PM&C continued to support APS Reform outcomes, leading and contributing to initiatives that drive meaningful change. PM&C led or co-led 10 initiatives aimed at delivering critical outcomes. Of these, 5 have been successfully completed; one project has been partially delivered with the remaining elements in progress; 2 projects are currently being implemented, with significant progress made to date; and 2 projects are in the development stage. The completed projects have yielded important outcomes, including lifting APS capability to use futures techniques in policymaking through horizon scanning and scenario planning; increasing transparency of Secretaries Board and its subcommittees; delivering Long-Term Insights Briefings to support policies that best fit the needs of the Australian community now and in the future; sharing and building APS capability while reducing reliance on external contractors through AGC; and reinforcing the apolitical role of the APS by making explicit that ministers must not direct Agency Heads on individual employment matters. PM&C also continues to support the success of overall program delivery through its contributions to the APS Reform Program Board.

Intended result 5.5: PM&C supports the establishment of the Net Zero Economy Agency

Achieved

The NZEA is responsible for promoting orderly and positive economic transformation to ensure Australia, its regions and workers realise and share the benefits of the net zero economy.



Performance measure 17: PM&C effectively establishes the Net Zero Economy Agency

Target

Effectively establishes the Net Zero Economy Agency from 1 July 2023.

2023–24 result

Achieved, the NZEA was effectively established from 1 July 2023

2022–23 result

Not applicable (new measure)

Data source / methodology

Results are calculated based on analysis of records of the NZEA. The result will be supplemented by an analysis of PM&C's contributions to supporting the establishment of the NZEA. In addition, the analysis will assess our progress in establishing the Net Zero Economy Authority (including some of its core functions).

Source

- Portfolio Budget Statements 2023–24, Outcome 1, Program 1.1
- Corporate Plan 2023–24, page 63

Analysis

The NZEA was established on 1 July 2023 as an executive agency within PM&C. Funding and staffing allocations have been made for NZEA, with significant recruitment completed to build capacity and capability. Governance arrangements within NZEA and between NZEA and PM&C have been developed.

The Australian Government established NZEA as an interim step towards creating a legislated Net Zero Economy Authority (the Authority), including through the provision of IT, payroll and HR services. Work is ongoing to design and set up the Authority in accordance with established parliamentary processes, with the legislative bill under consideration by the Parliament.

To ensure the effective establishment of the NZEA from 1 July 2023, whilst still providing core corporate and enabling support, PM&C implemented several key initiatives involving relevant corporate and enabling areas across PM&C. An appropriate governance structure was set up to oversee the establishment of the NZEA, including a steering committee to manage transition and corporate establishment arrangements and a working group to monitor progress of key milestones, manage risks and issues, and ensure resource allocation and timelines are aligned with our objectives. These coordinated efforts reflect our commitment to supporting the NZEA's establishment and our progress in establishing the Authority.

Notes to the Annual Performance Statements – stakeholder survey

PM&C seeks feedback from ministers, ministerial and non-ministerial stakeholders to evaluate performance against a number of key activities. Performance measures 1, 3, 4, 6, 8, 9, 11, 13 and 15 rely on the stakeholder survey.

Surveys are sent to all key (high-level) stakeholders who the department worked with during the reporting period, who observed our performance on measures outlined in the corporate plan and are in a position to provide feedback.

The stakeholder groups are:

- ministers – the Prime Minister, Assistant Minister to the Prime Minister, Minister for Women and Minister for the APS, and the Cabinet Secretary (or their delegate(s))
- ministerial – stakeholders from ministerial offices
- non-ministerial – stakeholders not from ministerial offices (for example, officials from other government agencies or departments).

The surveys are conducted by an independent provider and respondents can choose to remain anonymous. This approach ensures that responses are representative and that results are objective, independent and unbiased.

The department engaged an independent research organisation, ORIMA Research, to conduct the survey and provide an analysis of the results for 2023–24.

Who we surveyed

For the results to be comprehensive and reliable, the survey sought feedback from knowledgeable stakeholders – particularly those who engaged with the department regularly throughout the reporting period.

An attempted census approach was adopted to sampling for the online survey, with all relevant stakeholders invited to participate. A systematic approach was adopted to selecting key stakeholders that addressed the risk of selection bias via transparent operational selection rules for PM&C's business units.

The survey was designed to obtain reliable performance information and therefore targeted stakeholders who were in a position to provide an informed assessment of PM&C's performance. Accordingly, only non-ministerial stakeholders who met the following definition of knowledgeable observers were included:

- senior officers (Executive Level 2 equivalent and above) from Australian Government entities and senior executives from other organisations who dealt with PM&C in a substantial way during the reporting period. Dealing in a 'substantial way' was defined as either:
 - dealing with the department in relation to at least 3 different matters during the reporting period (for example, a particular stage of a reform process, a particular issue, a Cabinet submission), or
 - dealing with PM&C via multiple interactions (for example, emails, meetings, telephone conversations) over a cumulative period (not necessarily continuous) of at least 4 weeks during the reporting period.

ORIMA Research also independently assessed the completeness and integrity of the proposed lists of stakeholders to be surveyed. Completeness checks included a comparison of the number and proportion of stakeholders nominated for participation in the survey from different organisations, in particular key Australian Government partner entities. The proportions of stakeholders nominated from key Australian Government entities were generally consistent between 2022–23 and 2023–24, with variations as expected due to differing government priorities and areas of departmental activity from year to year.

Data collection methodology

For the ministers' survey, data was collected through structured interviews (video conference, telephone or face to face) with the identified minister or their delegate. These were conducted by senior PM&C officers, except for the interview with the Prime Minister's delegate which was conducted by a senior consultant from ORIMA Research. A senior ORIMA Research consultant also attended each of the other interviews to provide independent assurance around the integrity of data collection and reporting.

For the ministerial stakeholder and non-ministerial stakeholder surveys, data was collected via an online survey. Each survey recipient was sent a unique login to provide their responses.

ORIMA Research also conducted a program of in-depth, qualitative follow-up interviews with a sample of respondents²⁰ to the non-ministerial online survey. The purpose of the follow-up interviews was to obtain more detailed qualitative information concerning PM&C's performance, including obtaining some examples or case studies of good practice and outcomes (which could be used to enhance performance reporting) and more clearly identifying opportunities for improvement. ORIMA Research selected interviewees from stakeholders who completed the survey and indicated they were willing to participate in a follow-up interview.

Calculating our results

The results of each survey are based on the average percentage of survey respondents who provided positive ratings (which indicates their satisfaction) and include ratings of 4 (agree/satisfied) or 5 (strongly agree/very satisfied) to relevant questions.

Where there is a possibility of an appropriately selected stakeholder not being in a position to answer a particular question, respondents were provided with the option of providing a 'don't know' or 'not applicable' response. This is done to maximise data quality as, in the absence of a 'don't know' or 'not applicable' option, survey respondents who are not in a position to provide a rating on a particular matter tend to opt for the middle / neutral point of the rating scale which results in measurement error. In the calculation of performance metrics, 'don't know' / 'not applicable' responses have been excluded.

The survey ratings of the Prime Minister (or their delegate) are ranked higher than those of other ministers due to the importance of the Prime Minister to the department. The weighting formula supports the effect that the Prime Minister's responses account for 50% of the aggregate performance metrics derived from the ministers' survey. A consistent approach (that is, 50% weighting for staff of the Prime Minister's Office) was taken in calculating the indicative results for the ministerial stakeholder survey (see below for more information). Non-ministerial stakeholder survey results are unweighted.

²⁰ n=20, targeted.

Survey response rate

In 2023–24 we invited 962 stakeholders to respond to the stakeholder surveys. We received a total of 287 responses. This was an overall response rate of approximately 30%. Table 5 sets out the breakdown of numbers, including cohort response rates, for the 2023–24 stakeholder survey.

Table 5: Stakeholder satisfaction survey response rates (2023–24)

Entity type	Number invited	Number completed	Response rate
Ministers' survey	4	4	100%
Ministerial stakeholder survey	47	7	15%
Non-ministerial stakeholder survey	911	276	30%
• Australian Government entity stakeholders	829	247	30%
• Other stakeholders	82	29	35%

While a higher response rate may reduce the degree of potential non-response measurement error (stemming from the possibility that stakeholders who did not respond held systemically different views to those who did), the overall achieved response rate is sufficient to provide reliable rates.

We note the response rate for stakeholders from staff in our ministers' offices was lower than the 20% considered adequate for reporting valid and reliable performance information. The relatively low response rate for the ministerial stakeholder survey (15%) means the results should be treated as indicative only and were therefore not used in calculating the reported performance results. This impacted the results for all survey measures except performance measure 4, which relied solely on non-ministerial stakeholder results. However, the overall response rate of 30% achieved for the non-ministerial stakeholder survey and the 100% rate achieved for the ministers' survey exceed the threshold, and therefore the results can be reliably used in performance reporting results.

Part 3: Management and accountability



Corporate governance

Our corporate governance framework guides good public sector governance and sound business practices across all areas of the department. Our governance committee structure effectively drives the desired leadership, culture and performance of the department and provides further assurance to enable the strategic setting of priorities and the identification and management of risks. PM&C continues to invest in performance, accountability and oversight elements to achieve the highest standards of openness, transparency, integrity and effective collaboration.

Committees

PM&C's governance committees (see Table 6) supported the Secretary, the Executive Board and other senior executives to fulfil their corporate and governance responsibilities. The committees provided a range of advice and support on PM&C operations to assist in key decision-making.

Table 6: Governance committees and their purpose

Committee	Purpose
Executive Board	Provided governance, senior leadership and strategic direction for the delivery of government and other departmental priorities and objectives. It supported key decisions and reviewed risks, with a primary focus on government priorities, strategic planning in policy and service, operational matters, performance monitoring, culture and resource allocation. The Executive Board is the primary governance vehicle that drives PM&C's leadership, culture, capability and performance.
Operations Committee	Provided support to the Secretary and Executive Board by operationalising PM&C's strategic direction and supporting the Secretary to discharge their operational responsibilities. It provided assurance to the Secretary and the Executive Board regarding the performance of the department, compliance with internal and external requirements, and continuous improvement of PM&C's operations and performance.

Committee	Purpose
Audit and Risk Committee	Provided independent advice and assistance to the Secretary and Executive on the appropriateness of PM&C's financial reporting, performance reporting, system of risk oversight and management, and system of internal control.
Inclusion and Diversity Committee	Provided a dedicated mechanism for driving and promoting PM&C's inclusion and diversity strategy, action plans and initiatives, aligned to business priorities and APS-wide diversity strategies, and monitoring their progress.
Consultative Committee	Provided a forum for employee consultation on matters and policies relating to the operation of the Department of the Prime Minister and Cabinet Enterprise Agreement 2021–24 (until 13 March 2024), and the Department of the Prime Minister and Cabinet Enterprise Agreement 2024–27 (from 14 March 2024), including the development and review of employment policies.
Health, Safety and Wellbeing Committee	Provided a formal mechanism for consultation and cooperation on work health and safety matters that affect workers, including initiating, developing and implementing measures designed to ensure the health, safety and wellbeing of workers. This committee is established under section 75 of the <i>Work Health and Safety Act 2011</i> .

Integrity

On 17 November 2023 the Secretaries Board published the APS Integrity Taskforce report [Louder than words: an APS integrity action plan](#). This report outlines 15 recommendations designed to promote and strengthen an entity's pro-integrity culture.

Since publication of this report, PM&C has completed several actions to implement its recommendations. These include recognising and rewarding behaviours that demonstrate leading and acting with integrity within PM&C; integrating APS Values into performance frameworks; and arranging for the Public Service Medal Committee to encourage nominations that recognise individuals across the APS who deliver results through exemplary values-based leadership and culture-building.

PM&C recognises the importance of both individual and organisational integrity to form a strong culture of doing the right thing. This is achieved by recruiting the right people and assisting staff to develop and reach their potential; encouraging open and honest communications; using knowledge, expertise and judgement to make evidence-based decisions; and recognising those who go ‘above and beyond’ in displaying integrity. PM&C is also conscious that organisational and individual integrity will be tested – often when we least expect it – but that this provides us with the opportunity to validate that our integrity is what we expect and to identify where education, training and support can be employed to strengthen our integrity.

Internal audit

Internal audits provide advice and assurance to the Secretary and the Executive on the effectiveness of the department’s governance, risk management, compliance and performance arrangements, and internal controls. Audit activities are designed to improve PM&C’s operations, performance and management of risks. This helps PM&C to achieve its purpose and objectives through a systematic, disciplined approach to evaluating and improving the effectiveness of risk management practices, internal controls and governance processes. The Internal Audit team develops a work plan each financial year in consultation with the Audit and Risk Committee, Operations Committee and Executive Board to ensure the department’s key risks and priorities are addressed.

Audit and Risk Committee

The Audit and Risk Committee has been established in accordance with section 45 of the PGPA Act. The Audit and Risk Committee provides independent advice to the Secretary and the Executive on the appropriateness of PM&C’s financial and performance reporting, system of risk oversight and management, and system of internal control.

The Audit and Risk Committee Charter sets out the committee’s role, authority, responsibilities, composition and tenure, reporting, and administrative arrangements. The charter can be found on the PM&C website at: www.pmc.gov.au/resources/audit-and-risk-committee-charter. Table 7 provides details on Audit and Risk Committee membership for the period 1 July 2023 to 30 June 2024. All members of the committee are independent members.

Table 7: Audit and risk committee membership

Member name	Qualifications, knowledge, skills or experience (formal and informal)	Number of meetings attended	Total number of meetings held	Total annual remuneration (GST inc.)	Additional information (including role on committee)
Ms Carol Lilley	<p>Ms Lilley serves on a range of other Commonwealth Government audit committees, including those of the Department of Home Affairs, Services Australia, the Department of Industry, Science and Resources, and Austrade. She is the chair of Icon Water and has had other director roles in the Commonwealth Government and the private sector.</p> <p>As a former partner of a large accounting firm, Ms Lilley has a background in financial statements, internal audit and risk management, and is now an independent director and audit committee member.</p> <p>Ms Lilley holds a Bachelor of Commerce and is a Graduate of the Australian Institute of Company Directors, a Fellow of the Institute of Chartered Accountants and a certified internal auditor.</p>	1	1	\$5,856	Chair for part of the year

Member name	Qualifications, knowledge, skills or experience (formal and informal)	Number of meetings attended	Total number of meetings held	Total annual remuneration (GST inc.)	Additional information (including role on committee)
Ms Maria Storti	<p>Ms Storti specialises in financial management, governance and risk management, and serves as a member on several boards and audit committees across the Commonwealth. Her experience includes positions as performance improvement partner at EY, Deputy CEO at Defence Housing Australia, and Vice-President Governance & Development at the University of Canberra.</p> <p>Ms Storti holds a Master of Business Administration and a Bachelor of Economics and is a Fellow of Chartered Accountants Australia and New Zealand. She is a Fellow of the Australian Institute of Company Directors and a member of the Institute of Internal Auditors.</p>	7	7	\$31,872.25	Chair for part of the year

Member name	Qualifications, knowledge, skills or experience (formal and informal)	Number of meetings attended	Total number of meetings held	Total annual remuneration (GST inc.)	Additional information (including role on committee)
Dr David Bryant	<p>Dr Bryant serves on a range of other Commonwealth Government audit committees, including those of the Department of Infrastructure, Transport, Regional Development, Communications and the Arts, the Department of Veterans' Affairs, the Office of the Official Secretary to the Governor-General, and the Australian Digital Health Agency. He contributes to the Audit and Risk Committee in the areas of IT governance and projects.</p> <p>Dr Bryant is a Senior Australian Computer Society Certified Professional and former Australian Institute of Project Management Certified Practising Project Director. He is a Fellow of the Australian Institute of Project Management and a Graduate of the Australian Institute of Company Directors. He holds a Doctor of Philosophy (Management Information Systems), a Master of Business Administration (Technology Management) and a Bachelor of Information Technology.</p>	7	7	\$26,400	

Member name	Qualifications, knowledge, skills or experience (formal and informal)	Number of meetings attended	Total number of meetings held	Total annual remuneration (GST inc.)	Additional information (including role on committee)
Mr Matt Cahill	Mr Cahill has over 20 years' experience as a senior executive in multiple Commonwealth Public Service portfolios, leading policy, operational, service delivery, program, regulatory, corporate and assurance leadership teams. He is a former Group Executive Director of the Australian National Audit Office.	7	7	\$32,495.50	

Risk management

PM&C continues to operate in a dynamic environment, and there is inherent risk in everything we do. The PM&C Risk Management Policy and Framework outlines the department's approach to managing risks.

In 2023–24 PM&C reviewed and updated its enterprise risks and risk appetite and tolerance statements to reflect the operating environment. A review of the Risk Management Policy and Framework commenced in 2023–24 to ensure it continues to be fit-for-purpose.

Fraud and corruption prevention and control

PM&C does not tolerate fraudulent and corrupt activity and takes all reasonable measures to prevent, detect and respond to fraud and corruption relating to the department.

Fraud and corruption risk is managed in accordance with PM&C's Risk Management Policy and Framework. Fraud and corruption risk assessments are regularly undertaken to ensure we continue to have appropriate controls to prevent fraud and corruption. In 2023–24 PM&C reviewed its fraud and corruption risks and commenced a review of the Fraud and Corruption Control Plan in preparation for the changes to the Fraud and Corruption Rule under section 10 of the PGPA Rule, which came into effect on 1 July 2024.

All officials and contractors are required to complete mandatory fraud and corruption awareness training within the first month of commencing employment with PM&C, and annually thereafter.

PM&C is committed to preventing, detecting and responding to instances of actual and suspected fraud and corruption. Anyone who believes that a fraudulent or corrupt activity relating to PM&C has occurred is encouraged to report it by submitting a fraud contact form on the PM&C website at: pmc.gov.au/who-we-are/accountability-and-reporting/fraud-control-and-fraud-reporting.

External scrutiny

External audit

During the reporting period PM&C participated in one performance audit completed by the Australian National Audit Office:

- Auditor-General No. 29 of 2023–24: *Remote employment programs*, tabled in the Parliament on 28 May 2024, National Indigenous Australians Agency.

Parliamentary committees

Senate Standing Committees on Finance and Public Administration

The Senate Standing Committees on Finance and Public Administration cover the Prime Minister and Cabinet and Finance portfolios. The work is divided between 2 committees: the Senate Finance and Public Administration Legislation Committee and the Senate Finance and Public Administration References Committee.

PM&C's submissions, responses to questions taken on notice (written and taken during the hearings) and transcripts of committee hearings are available on the Parliament of Australia website.

PM&C representatives appeared before the Senate Finance and Public Administration Legislation Committee at its Senate Estimates hearings on 23 and 24 October 2023, 12 and 13 February 2024, and 28 and 30 May 2024.

PM&C representatives also appeared before the committee for the following inquiries in 2023–24:

- Public Service Amendment Bill 2023
- Net Zero Economy Authority Bill 2024 [Provisions], and Net Zero Economy Authority (Transitional Provisions) Bill 2024 [Provisions].

PM&C made submissions to the following inquiries in 2023–24:

- Public Service Amendment Bill 2023
- COAG Legislation Amendment Bill 2023 [Provisions].

Other committees

On occasion PM&C is invited to make a submission or appear at hearings of other committees covering specific topics. PM&C made submissions to the following inquiries in 2023–24:

- Senate Foreign Affairs, Defence and Trade References Committee: Australian support for Ukraine
- Senate Community Affairs References Committee: Issues related to menopause and perimenopause
- Joint Committee of Public Accounts and Audit: Inquiry into Commonwealth Financial Statements 2022–23.

Judicial decisions and other external scrutiny

PM&C was the applicant in one matter before the Administrative Appeals Tribunal: *Re Secretary, Department of the Prime Minister and Cabinet and Farrell* [2023] AATA 7925. The Australian Government Solicitor was engaged as PM&C's legal representative. On 29 January 2024 the department and the respondent agreed to settle the matter. Settlement did not result in any payment to the respondent.

PM&C was not a party to any other judicial decisions or decisions of administrative tribunals in 2023–24.

PM&C is subject to the *Freedom of Information Act 1982* and complies with the requirements of the Information Publication Scheme to publish a range of information on its website at: pmc.gov.au/about-us/accountability-and-reporting/information-and-privacy/information-publication-scheme.

PM&C is subject to the *Privacy Act 1988* and the Privacy (Australian Government Agencies – Governance) APP Code 2017 and complies with the publication requirements under both the Privacy Act and the Privacy Code.

Our people

In 2023–24 PM&C continued to invest in our people to ensure we have the capabilities to achieve our purpose.

Our workforce priorities continued to be guided by the APS Reform agenda. We sought opportunities to be an APS leader with an ongoing focus on inclusion and diversity, leveraging all voices, skills and experience to deliver outcomes that suit the needs of all Australians.

A key achievement in APS Reform for PM&C was early negotiation with employees and their representatives on the Department of the Prime Minister and Cabinet Enterprise Agreement 2024–27. The new Enterprise Agreement commenced on 14 March 2024 following a 93% ballot outcome in support, bringing PM&C towards greater consistency in APS-wide terms and conditions of employment.

PM&C's 2023–24 APS Census results showed high levels of motivation, satisfaction and commitment from our employees: 89% of respondents indicated that they were proud to work in PM&C, 87% that they felt a strong commitment to PM&C's goals, and 97% that they were happy to go the 'extra mile' at work when required. The results also showed high levels of regard for supervisors and leaders: 92% of respondents agreed that their supervisor ensures that they deliver what they are responsible for, and 90% agreed that their immediate supervisor cares about their health and wellbeing.

Employment performance

Table 8: All ongoing employees current report period (2023–24)*

	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	
NSW	4	–	4	3	–	3	–	–	–	–	–	–	–	–	–	7
Qld	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
SA	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Tas	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vic	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
WA	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
ACT	402	14	416	779	121	900	–	–	–	–	–	–	4	1	5	1,321
NT	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
External Territories	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Overseas	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total	406	14	420	782	121	903	–	–	–	–	–	–	4	1	5	1,328

* The majority of ongoing roles at PM&C are ACT based. Employees may have flexible work arrangements in place to work 100% from a location outside of the ACT (see 'Flexible work' on page 89).

Table 9: All non-ongoing employees current report period (2023–24)*

	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	
NSW	-	-	-	1	-	1	-	-	-	-	-	-	-	-	-	1
Qld	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vic	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ACT	13	4	17	20	9	29	-	-	-	-	-	-	-	-	-	46
NT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
External Territories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	13	4	17	21	9	30	-	-	-	-	-	-	-	-	-	47

* All non-ongoing roles at PM&C are ACT based. Employees may have flexible work arrangements in place to work 100% from a location outside of the ACT (see 'Flexible work' on page 89).

Table 10: All ongoing employees previous report period (2022–23)*

	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	
NSW	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Qld	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SA	1	-	1	-	-	-	-	-	-	-	-	-	-	-	-	1
Tas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vic	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ACT	353	16	369	716	108	824	-	-	-	-	-	-	5	-	5	1,198
NT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
External Territories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	354	16	370	716	108	824	-	-	-	-	-	-	5	-	5	1,199

* The majority of ongoing roles at PM&C are ACT based. Employees may have flexible work arrangements in place to work 100% from a location outside of the ACT (see 'Flexible work' on page 89).

Table 11: All non-ongoing employees previous report period (2022–23)*

	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	
NSW	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Qld	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vic	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ACT	19	5	24	42	14	56	-	-	-	-	-	-	-	-	-	80
NT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
External Territories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	19	5	24	42	14	56	-	-	-	-	-	-	-	-	-	80

* All non-ongoing roles at PM&C are ACT based. Employees may have flexible work arrangements in place to work 100% from a location outside of the ACT (see 'Flexible work' on page 89).

Table 12: Australian Public Service Act ongoing employees current report period (2023–24)

	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term*			Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	
SES 3	4	–	4	3	–	3	–	–	–	–	–	–	–	–	–	7
SES 2	12	–	12	15	2	17	–	–	–	–	–	–	–	–	–	29
SES 1	25	–	25	49	1	50	–	–	–	–	–	–	–	–	–	75
EL 2	75	4	79	142	22	164	–	–	–	–	–	–	–	–	–	243
EL 1	132	5	137	259	43	302	–	–	–	–	–	–	–	–	–	439
APS 6	87	1	88	155	36	191	–	–	–	–	–	–	–	–	–	279
APS 5	42	1	43	91	14	105	–	–	–	–	–	–	–	–	–	148
APS 4	13	–	13	37	3	40	–	–	–	–	–	–	–	–	–	53
APS 3	16	2	18	29	–	29	–	–	–	–	–	–	–	–	–	47
APS 2	–	1	1	1	–	1	–	–	–	–	–	–	–	–	–	2
APS 1	–	–	–	1	–	1	–	–	–	–	–	–	–	–	–	1
Other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total	406	14	420	782	121	903	–	–	–	–	–	–	–	–	5	1,328

* To avoid unintentional identification, employees have not been disaggregated in this table's row data.

Table 13: Australian Public Service Act non-ongoing employees current report period (2023–24)

	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	
SES 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SES 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SES 1	1	-	1	-	-	-	-	-	-	-	-	-	-	-	-	1
EL 2	2	-	2	2	1	3	-	-	-	-	-	-	-	-	-	5
EL 1	4	1	5	3	2	5	-	-	-	-	-	-	-	-	-	10
APS 6	-	-	-	4	-	4	-	-	-	-	-	-	-	-	-	4
APS 5	3	-	3	8	-	8	-	-	-	-	-	-	-	-	-	11
APS 4	2	1	3	2	-	2	-	-	-	-	-	-	-	-	-	5
APS 3	-	-	-	1	2	3	-	-	-	-	-	-	-	-	-	3
APS 2	1	2	3	1	4	5	-	-	-	-	-	-	-	-	-	8
APS 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	13	4	17	21	9	30	-	-	-	-	-	-	-	-	-	47

Table 14: Australian Public Service Act ongoing employees previous report period (2022-23)

	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term*			Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	
SES 3	5	–	5	3	–	3	–	–	–	–	–	–	–	–	–	8
SES 2	6	–	6	9	1	10	–	–	–	–	–	–	–	–	–	16
SES 1	19	–	19	29	4	33	–	–	–	–	–	–	–	–	–	52
EL 2	63	4	67	118	19	137	–	–	–	–	–	–	–	–	–	204
EL 1	113	9	122	248	43	291	–	–	–	–	–	–	–	–	–	413
APS 6	82	2	84	158	28	186	–	–	–	–	–	–	–	–	–	270
APS 5	32	–	32	68	11	79	–	–	–	–	–	–	–	–	–	111
APS 4	14	–	14	39	2	41	–	–	–	–	–	–	–	–	–	55
APS 3	20	–	20	40	–	40	–	–	–	–	–	–	–	–	–	60
APS 2	–	1	1	1	–	1	–	–	–	–	–	–	–	–	–	2
APS 1	–	–	–	3	–	3	–	–	–	–	–	–	–	–	–	3
Other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total	354	16	370	716	108	824	–	–	–	–	–	–	–	–	5	1,199

* To avoid unintentional identification, employees have not been disaggregated in this table's row data.

Table 15: Australian Public Service Act non-ongoing employees previous report period (2022-23)

	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term*			Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	
SES 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SES 2	-	-	-	1	-	1	-	-	-	-	-	-	-	-	-	-
SES 1	2	-	2	1	-	1	-	-	-	-	-	-	-	-	-	-
EL 2	3	-	3	-	1	1	-	-	-	-	-	-	-	-	-	-
EL 1	4	-	4	9	1	10	-	-	-	-	-	-	-	-	-	-
APS 6	3	1	4	10	1	11	-	-	-	-	-	-	-	-	-	-
APS 5	3	-	3	7	1	8	-	-	-	-	-	-	-	-	-	-
APS 4	2	1	3	8	2	10	-	-	-	-	-	-	-	-	-	-
APS 3	1	-	1	3	3	6	-	-	-	-	-	-	-	-	-	-
APS 2	1	3	4	3	5	8	-	-	-	-	-	-	-	-	-	-
APS 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	19	5	24	42	14	56	-	-	-	-	-	-	-	-	-	-

* To avoid unintentional identification, employees have not been disaggregated in this table's row data.

Table 16: Australian Public Service Act employees by full-time and part-time status current report period (2023–24)

	Ongoing			Non-ongoing			Total
	Full time	Part time	Total ongoing	Full time	Part time	Total Non-ongoing	
SES 3	7	–	7	–	–	–	7
SES 2	27	2	29	–	–	–	29
SES 1	74	1	75	1	–	1	76
EL 2	217	26	243	4	1	5	248
EL 1	391	48	439	7	3	10	449
APS 6	244	37	281	4	–	4	285
APS 5	135	15	150	11	–	11	161
APS 4	50	3	53	4	1	5	58
APS 3	45	3	48	1	2	3	51
APS 2	1	1	2	2	6	8	10
APS 1	1	–	1	–	–	–	1
Other	–	–	–	–	–	–	–
Total	1,192	136	1,328	34	13	47	1,421*

* Total PM&C headcount (1,421) is inclusive of 46 casual employees.

Table 17: Australian Public Service Act employees by full-time and part-time status previous report period (2022–23)

	Ongoing			Non-ongoing			Total
	Full time	Part time	Total ongoing	Full time	Part time	Total Non-ongoing	
SES 3	8	–	8	–	–	–	8
SES 2	15	1	16	1	–	1	17
SES 1	48	4	52	3	–	3	55
EL 2	181	23	204	3	1	4	208
EL 1	361	52	413	13	1	14	427
APS 6	242	30	272	13	2	15	287
APS 5	101	11	112	10	1	11	123
APS 4	54	2	56	10	3	13	69
APS 3	61	–	61	4	3	7	68
APS 2	1	1	2	4	8	12	14
APS 1	3	–	3	–	–	–	3
Other	–	–	–	–	–	–	–
Total	1,075	124	1,199	61	19	80	1,317*

* Total PM&C headcount (1,317) is inclusive of 38 casual employees.

Table 18: Australian Public Service Act employment type by location current report period (2023–24)

	Ongoing	Non-ongoing	Total
NSW	7	1	8
Qld	–	–	–
SA	–	–	–
Tas	–	–	–
Vic	–	–	–
WA	–	–	–
ACT	1,321	46	1,367
NT	–	–	–
External Territories	–	–	–
Overseas	–	–	–
Total	1,328	47	1,421*

* Total PM&C headcount (1,421) is inclusive of 46 casual employees.

Table 19: Australian Public Service Act employment type by location previous report period (2022–23)

	Ongoing	Non-ongoing	Total
NSW	–	–	–
Qld	–	–	–
SA	1	–	1
Tas	–	–	–
Vic	–	–	–
WA	–	–	–
ACT	1,198	80	1,278
NT	–	–	–
External Territories	–	–	–
Overseas	–	–	–
Total	1,199	80	1,317*

* Total PM&C headcount (1,317) is inclusive of 38 casual employees.

Table 20: Australian Public Service Act Indigenous employment current report period (2023–24)

	Total
Ongoing	28
Non-ongoing	3
Total	31

Table 21: Australian Public Service Act Indigenous employment previous report period (2022–23)

	Total
Ongoing	24
Non-ongoing	3
Total	27

Inclusion and diversity

Inclusion and diversity is a priority for everyone at PM&C. Reflecting the community we serve enables us to deliver the highest quality policy outcomes. To leverage the voices, skills and experience of our people, we foster a workplace that is inclusive, safe and respectful – giving everyone permission to perform at their best.

In 2024, 86% of PM&C APS Employee Census respondents said that PM&C supports and actively promotes an inclusive workplace culture and 87% said they receive the respect they deserve from their colleagues at work.

Following the launch of our Inclusion and Diversity Strategy 2023–26 in July 2023, we worked to progress the strategy's 27-point action plan. As part of this, we also progressed the recommendations of an internal Cultural Diversity Sprint Project initiated by the PM&C Culturally and Linguistically Diverse (CALD) Network that sought to identify and address potential barriers to cultural diversity.

Multiple actions have been successfully implemented or are well underway, such as introducing a new PM&C Induction Program, Navigating Merit-Based Recruitment training for recruitment panels, developing a diverse recruitment panel register, expanding the diversity of PM&C's coaching providers, conducting an accessibility audit of PM&C property, and improving our reporting and governance arrangements.

Our ongoing foundations are as important as our new initiatives to ensure everyone can contribute to an inclusive culture. They include:

- our Inclusion and Diversity Senior Executive Service (SES) Champions and employee-led networks, which continued to play an integral role in promoting positive change and conversation:
 - Ability Network / Champion
 - CALD Network / Champion
 - Gender Equality Network / Champion
 - Mara Network / First Nations Champion
 - Pride (LGBTIQA+) / Pride (LGBTIQA+) Champion
 - Reconciliation Action Plan Working Group / Reconciliation Champion
 - Wellbeing Network / Champion

- the annual PM&C Diversity Calendar for observing and celebrating key dates of significance. PM&C's diversity networks hosted events including a speech from the Chair of the Productivity Commission for International Women's Day, a panel event for Harmony Day, and Love Your Networks Day
- training, speakers and sharing of lived experiences to raise awareness and confidence in relation to inclusion and diversity – for example, cultural competency and First Nations language training, disability confidence training, empowered ally training, and promotion of neurodiversity supports
- attending and speaking at key conferences to learn about best practice and leading research in respect of a range of diversity groups, such as the Indigenous Leadership Summit, Women of Colour in Leadership, and Public Sector Disability Leadership and Allyship Summit
- embedding inclusive language and messaging in our employment policies and performance framework
- publicly reporting on our diversity workforce data and using APS Employee Census results as evidence for our forward planning
- maintaining our membership of the Australian Network on Disability, the Diversity Council of Australia, and Pride in Diversity.

Aboriginal and Torres Strait Islander employment

PM&C is committed to the recruitment, development and retention of Aboriginal and Torres Strait Islander people. As at 30 June 2024, 2.2% of staff identified as Aboriginal or Torres Strait Islander through PM&C's human resources system. We had:

- 3.4% Aboriginal and Torres Strait Islander representation at the APS 4 to APS 6 classification levels
- 1.3% Aboriginal and Torres Strait Islander representation at the Executive 1 and 2 classification levels
- 2.2% Aboriginal and Torres Strait Islander representation at the SES levels.

We use affirmative measures (Indigenous) in recruitment activities, identified position criteria, and whole-of-government employment programs.

Mara Network

The Mara Network is a dedicated peer network of Aboriginal and Torres Strait Islander employees supporting one another to share their lived experience and realise their full potential.

The Mara Network, with the support of the First Nations Champion, the Reconciliation Champion and Indigenous Staff Liaison Officers, collaborates on initiatives to improve recruitment, retention and career development for Aboriginal and Torres Strait Islander employees; recognise and celebrate Aboriginal and Torres Strait Islander culture, traditions and diversity; ensure the department is inclusive and respectful of Aboriginal and Torres Strait Islander people and culture; and engage with senior leaders to elevate issues impacting Aboriginal and Torres Strait Islander employees.

Supporting Aboriginal and Torres Strait Islander staff

PM&C provides a range of supports to Aboriginal and Torres Strait Islander employees. In 2024 we established an internal First Nations Staff Hub designed specifically to support Aboriginal and Torres Strait Islander staff with easy access to information and other resources to support career development and wellbeing. These resources include:

- the First Nations Champion, who plays a visible leadership role across PM&C, works with the Mara Network and other networks and advocates for positive cultural safety, competency and change
- the Reconciliation Champion, who assists in strengthening relationships between Aboriginal and Torres Strait Islander staff and non-Indigenous staff to advance reconciliation
- dedicated Indigenous Staff Liaison Officers
- a dedicated Aboriginal and Torres Strait Islander Employee Assistance Provider support line, for employees and their families to access free and confidential counselling and support
- leadership forums and conferences that provide opportunities for Aboriginal and Torres Strait Islander staff to discuss their career aspirations, hear from inspiring leaders and build professional networks.

National Aborigines and Islanders Day Observance Committee (NAIDOC)

The NAIDOC Week 2023 theme was 'For Our Elders'. PM&C celebrated NAIDOC Week in July 2023 with a range of events including an official flag-raising ceremony and Welcome to Country, weaving workshops, the APS NAIDOC Touch Football Carnival, and cultural awareness training.

National Reconciliation Week

PM&C observed National Reconciliation Week in May 2024 with a range of events to demonstrate our commitment to reconciliation and building cultural intelligence and safety. The events included:

- an official flag-raising ceremony and afternoon tea with the Secretary, local Elders, PM&C executives, Mara Network members, and members of the APS First Nations SES Network
- an all-staff reconciliation art and storytelling workshop with artist James Baban, who led the creation of a PM&C reconciliation artwork (see page iii). Staff were able to drop in and contribute their fingerprint to the artwork. James Baban shared his personal journey as a member of the Stolen Generations and his aspiration for a united future
- a Last Post ceremony at the Australian War Memorial commemorating Private Miller Mack. Private Miller Mack's iconic image is frequently used as a symbol of Indigenous Australians' important contribution to the ANZAC war effort. The ceremony began with the Australian National Anthem, followed by the piper's lament. PM&C staff laid wreaths on behalf of the department
- a weaving workshop.

Reconciliation Action Plan

PM&C's Innovate Reconciliation Action Plan 2021–2023 (RAP) was extended by 12 months (approved through Reconciliation Australia) to enable the department to continue to progress and accomplish our commitments under this framework post COVID-19 and respond to anticipated changes to RAP guidelines from Reconciliation Australia in respect of delivering the Closing the Gap priorities.

PM&C commenced consultation for our next Innovate RAP which will be launched in the second half of 2024. A dedicated project team, initially led by Dr Lisa Conway, First Nations SES leader and Chair of the APS SES Indigenous Network, used *dadirri*, 'Aboriginal deep listening', in a multifaceted engagement process to capture insights and perspectives on reconciliation from departmental staff and Ngunnawal Elders.

Consultation included ongoing dialogue with Aboriginal and Torres Strait Islander colleagues, including yarning circles and one-on-one meetings. Aboriginal and Torres Strait Islander staff were consulted throughout the development and drafting process, as were the First Nations SES Champion and senior Ngunnawal Elders. We also undertook an all-staff survey that received over 190 responses, and re-established the RAP Working Group with representatives from across the department.

Immersive cultural opportunities

PM&C participates in the Jawun APS Secondment Program, which contributes to building the capacity of Aboriginal and Torres Strait Islander organisations. Our secondees bring their Jawun experience back to PM&C, positioning them to drive cultural change and grow capability.

In 2023–24 PM&C supported 6 non-SES secondments placed in regions such as the Central Coast, West Kimberley, North East Arnhem Land and inner Sydney, and a visit by an SES leader to South Australia's Lower River Murray.

The department supported 7 staff to attend the 2023 Garma Festival. Staff connected with and built their cultural knowledge through the largest celebration of Indigenous culture in Australia. Garma provides cultural enrichment through discussion and debate around issues affecting Indigenous Australians, while also celebrating the rich Yolngu culture.

Two PM&C staff undertook immersive secondments to the Northern Land Council (NLC), where they developed a formal consultation framework for the NLC and Parks Australia to deliver projects and undertake consultations with Traditional Owners on a variety of policy matters including economic development and water allocation plans.

Flexible work

In 2023–24 the APS collectively moved to a common flexible work provision in enterprise bargaining whereby, although requests for flexible work are still considered on a case-by-case basis against operational requirements, there is a bias towards approving them. PM&C was well placed to meet the government’s expectations around flexible work, having already embedded a longstanding approach to flexible work where conversations between employees and managers start with ‘How can we make this work?’ We continue to make genuine attempts to establish arrangements that are mutually beneficial for individual employees and PM&C.

In the 2023–24 APS Census, 73% of PM&C respondents had flexible work arrangements in place and 87% felt confident that if they requested a flexible work arrangement their request would be given reasonable consideration.

The census results indicated that 63% of employees worked away from the office / at home at least some of the time. To set our teams up for success in this environment we offer training on leading and working in hybrid teams. This training outlines leading-edge frameworks and techniques to harness the benefits of hybrid working, including by proactively harnessing technological advancements in an ethical and efficient manner, while also building an inclusive culture that promotes wellbeing, connectedness and self-care in a hybrid workplace.

Ensuring our people have a safe and secure workstation set-up regardless of where they work is a priority for us. Remote workers continue to use an agreement and checklist to ensure a safe and secure workspace. Ergonomic assessments by allied health professionals are offered to ensure staff engage in healthy practices such as taking regular breaks, changing posture and stretching.

Workplace response to domestic and family violence

PM&C recognises the impact that family and domestic violence can have on safety, wellbeing, capacity to work and financial security. We continued to provide tailored support to employees affected by, or at risk of, family and domestic violence, including leave, flexible work and workplace safety measures.

PM&C's Family and Domestic Violence Policy was updated to reflect important changes to the National Employment Standards (*Fair Work Act 2009*). Our support is not limited to meeting minimum standards. PM&C seeks to provide maximum possible support, relative and proportionate to individual circumstances and preferences. This may include flexible work options, additional leave (paid or unpaid), and access to a dedicated family and domestic violence support service for employees and their immediate family members through our Employee Assistance Program provider.

Recruitment

PM&C uses fair and inclusive recruitment practices that seek to be culturally safe and free from discrimination, to minimise bias and to be accessible to all candidates.

In 2023–24 PM&C committed to delivering a range of actions to support this. For example, to empower hiring managers and recruitment panels, PM&C developed a bespoke online Navigating Merit-Based Recruitment e-learning module for panel members, covering essential legislation and policy, strategies to mitigate bias, and best-practice recruitment techniques such as assessment methodology and reasonable adjustments.

PM&C's recruitment practices include redesigning our service delivery model to provide tailored business partner support, reviewing templates and guidance documentation to allow for more objective and robust candidate assessment, and enhancing our marketing material by leveraging our unique employer brand.

To support our pipeline of talent, in 2024 we recruited 36 people from across Australia to the PM&C Graduate Program and 2 people through the APS-wide entry-level Data Stream. One person was recruited through the APS Indigenous Apprenticeship Program (Indigenous Australian Government Development Program at the time). PM&C also recruited 25 non-ongoing interns to gain work experience through the Domestic Policy Group Vacation Employment Program.

Workplace arrangements

The terms and conditions of employment for non-SES employees were governed by 2 different workplace instruments in 2023–24. Until 13 March 2024 the Department of the Prime Minister and Cabinet Enterprise Agreement 2021–24 was in place. This was terminated early and replaced by the Department of the Prime Minister and Cabinet Enterprise Agreement 2024–27 from 14 March 2024, to ensure that PM&C was positioned to align with APS Workplace Relations Policy and new common APS employment terms.

At times, individual flexibility arrangements are made with non-SES employees where they meet the genuine needs of PM&C and the employee.

The terms and conditions of employment for SES employees are governed by individual determinations made under section 24(1) of the *Public Service Act 1999*.

PM&C’s employment instruments are consistent with Commonwealth legislation and, where applicable, aligned to the common provisions as negotiated during APS-wide bargaining in 2023. Their administration is supported by a range of internal employment policies which are routinely reviewed. Employment policies were adjusted in early 2024 to be compliant with the new PM&C Enterprise Agreement from 14 March 2024.

Data on workplace arrangements for PM&C employees is provided at Table 22 and Table 23.

Table 22: Australian Public Service Act employment arrangements current report period (2023–24)

	SES	Non-SES	Total
Enterprise Agreement	–	1,309	1,309*
Section 24(1) determination	112	–	112
Individual flexibility arrangement	–	30	30

* Total employees under the Enterprise Agreement (1,309) is inclusive of 46 casual employees.

Table 23: Australian Public Service Act employment salary ranges by classification level (minimum/maximum) current report period (2023–24)*

	Minimum salary	Maximum salary
SES 3	\$368,811	\$433,430
SES 2	\$276,513	\$318,893
SES 1	\$209,318	\$253,622
EL 2	\$136,220	\$178,558
EL 1	\$117,036	\$148,362
APS 6	\$91,072	\$116,595
APS 5	\$82,339	\$91,549
APS 4	\$74,575	\$82,945
APS 3	\$68,556	\$74,264
APS 2	\$61,389	\$68,034
APS 1	\$52,266	\$59,436
Other	–	–
<i>Minimum/Maximum range</i>	\$52,266	\$433,430

* Minimum salary rates for APS 1 to EL 2 are based on rates available under the PM&C Enterprise Agreement 2021–24. Maximum rates are based on the Prime Minister and Cabinet Enterprise Agreement 2024–27.

Executive remuneration

Remuneration for SES employees was governed by the APSC Executive Remuneration Management Policy, PM&C's SES Performance Framework and individual employment determinations.

In line with non-SES staff, SES employees received a general salary increase of 4% on 14 March 2024. Eligible SES employees also received a one-off payment on 11 April 2024 to compensate for foregone earnings between 27 October 2023 (the last scheduled pay increase) and 14 March 2024. This was 12 months after the previous increase of 3% received on 27 October 2022.

Annual pay point movement for eligible SES employees occurred on 14 September 2023, linked to demonstrated performance outcomes aligned to the SES Performance Framework.

Allowances paid to SES employees are specific to individual circumstances.

Remuneration for the Secretary and statutory office holders is determined by the Remuneration Tribunal. Reporting on remuneration for key management personnel (KMP) and senior executives in PM&C is governed by the Commonwealth entities executive remuneration reporting guide for annual reports. Executive remuneration information is reported on an accrual basis in line with financial statements and differs from actual remuneration, which is prepared on a cash basis. Therefore, the Secretary's remuneration reported here differs from the amount disclosed under the Remuneration Tribunal Determination.

During the reporting period to 30 June 2024, PM&C had 16 individuals who met the definition of KMP. Their names, length of term as KMP and remuneration details are in Tables 24 to 26. In addition, aggregated remuneration information for 150 senior executives is shown in Table 27.

During the reporting period PM&C had no other highly paid staff who met the disclosure threshold for reporting.

Table 24: Key management personnel details for the reporting period

Name	Position	Date of commencement	Date of cessation
DAVIS, Glyn	Secretary	1/07/2023	30/06/2024
HEFREN-WEBB, Liz	Deputy Secretary	1/07/2023	30/06/2024
WILLIAMS, Nadine	Deputy Secretary	1/07/2023	30/06/2024
FLETCHER, Graham	Deputy Secretary	1/02/2024	30/06/2024
WOOD, Lynette	Deputy Secretary (acting)	24/10/2023	31/01/2024
DEWAR, Scott	Deputy Secretary	1/07/2023	8/11/2023
HEHIR, Martin	Deputy Secretary and Chief Operating Officer	15/01/2024	30/06/2024
ELLISTON, Lisa J	Deputy Secretary and Chief Operating Officer (acting)	15/09/2023	18/01/2024
WILLIAMSON, David	Deputy Secretary and Chief Operating Officer	1/07/2023	15/09/2023
RAMAN, Padma	Executive Director – Office for Women	18/09/2023	30/06/2024
POWER, Trevor	Chief Executive Officer – Net Zero Economy Agency (acting)	19/04/2024	30/06/2024
CHISHOLM, James D	Chief Executive Officer – Net Zero Economy Agency	1/07/2023	18/04/2024
HAZLEHURST, David	Deputy Secretary	1/07/2023	7/01/2024
BACON, Rachel	Deputy Secretary	1/07/2023	22/11/2023
ROSS, Iain	Chair of the Net Zero Economy Agency (acting)	22/05/2024	30/06/2024
COMBET, Greg	Chair of the Net Zero Economy Agency	10/07/2023	31/05/2024

Table 25: Key management personnel summary remuneration for the reporting period (\$)

Base salary	4,159,853
Bonuses	–
Other benefits & allowances	88,929
Total Short-term benefits	4,248,782
Superannuation contribution	518,233
Total Post-employment benefits	518,233
Long service leave	100,394
Other long-term benefits	–
Total Other long-term benefits	100,394
Termination benefits	–
Total remuneration	4,867,409

Note: Figures have been rounded up.

Table 26: Information about remuneration for key management personnel

Name	Position	Short-term benefits			Post-employment benefits	Other long-term employee benefits		Termination benefits	Total remuneration
		Base salary	Bonuses	Other benefits and allowances	Superannuation contribution	Long service leave	Other long-term benefits		
DAVIS, Glyn	Secretary	1,012,294	–	25,062	27,399	22,087	–	–	1,086,842
HEFREN-WEBB, Liz	Deputy Secretary	440,709	–	7,732	75,071	19,980	–	–	543,492
WILLIAMS, Nadine	Deputy Secretary	423,387	–	7,649	64,744	17,039	–	–	512,819
FLETCHER, Graham	Deputy Secretary	179,158	–	2,159	30,210	1,397	–	–	212,924
WOOD, Lynette	Deputy Secretary (acting)	105,379	–	229	16,178	737	–	–	122,523
DEWAR, Scott	Deputy Secretary	136,606	–	840	22,678	3,693	–	–	163,817
HEHIR, Martin	Deputy Secretary and Chief Operating Officer	204,487	–	3,140	38,346	2,192	–	–	248,165
ELLISTON, Lisa J	Deputy Secretary and Chief Operating Officer (acting)	121,466	–	9,170	20,152	2,968	–	–	153,756
WILLIAMSON, David	Deputy Secretary and Chief Operating Officer	81,722	–	197	15,971	1,897	–	–	99,787
RAMAN, Padma	Executive Director Office for Women	336,744	–	21,122	47,972	4,895	–	–	410,733
POWER, Trevor	Chief Executive Officer - Net Zero Economy Agency (acting)	80,746	–	140	9,660	1,749	–	–	92,295

Name	Position	Short-term benefits			Post-employment benefits	Other long-term employee benefits		Termination benefits	Total Remuneration
		Base salary	Bonuses	Other benefits and allowances	Superannuation contribution	Long service leave	Other long-term benefits		
CHISHOLM, James D	Chief Executive Officer - Net Zero Economy Agency	302,321	-	6,210	54,592	13,856	-	-	376,979
HAZLEHURST, David	Deputy Secretary	177,134	-	3,608	38,904	1,863	-	-	221,509
BACON, Rachel	Deputy Secretary	145,154	-	1,536	29,081	5,783	-	-	181,554
ROSS, Iain	Chair of the Net Zero Economy Agency (acting)	16,545	-	0	2,300	258	-	-	19,103
COMBET, Greg	Chair of the Net Zero Economy Agency	396,001	-	135	24,975	0	-	-	421,111
Total		4,159,853	-	88,929	518,233	100,394	-	-	4,867,409

Note: Figures have been rounded up.

Table 27: Information about remuneration for senior executives

Band	Number of senior executives	Short-term benefits			Post-employment benefits	Other long-term employee benefits		Termination benefits	Total remuneration
		Average base salary	Average bonuses	Average other benefits and allowances	Average superannuation contribution	Average long service leave	Average other long-term benefits	Average termination benefits	Average total remuneration
\$0 – \$220,000	84	89,601	–	2,006	15,342	3,131	–	–	110,080
\$220,000 – \$245,000	9	191,241	–	3,115	30,503	6,345	–	–	231,204
\$245,000 – \$270,000	14	207,369	–	4,251	34,906	10,154	–	–	256,680
\$270,000 – \$295,000	22	222,819	–	5,035	38,609	12,277	–	–	278,740
\$295,000 – \$320,000	8	249,063	–	4,740	44,813	11,677	–	–	310,293
\$320,000 – \$345,000	7	267,763	–	4,941	44,975	10,267	–	–	327,946
\$345,000 – \$370,000	1	294,418	–	5,345	54,439	11,539	–	–	365,741
\$370,000 – \$395,000	5	300,009	–	5,356	56,249	19,755	–	–	381,369
\$395,000–\$420,000	–	–	–	–	–	–	–	–	–
\$420,000–\$445,000	–	–	–	–	–	–	–	–	–
\$445,000–\$470,000	–	–	–	–	–	–	–	–	–
\$470,000–\$495,000	–	–	–	–	–	–	–	–	–
\$495,000–\$520,000	–	–	–	–	–	–	–	–	–
\$520,000–\$545,000	–	–	–	–	–	–	–	–	–
Total	150	151,428	–	3,143	26,069	6,720	–	–	187,360

Performance pay

PM&C did not offer performance pay or bonuses to employees during the reporting period.

The department offers a range of additional non-monetary benefits to employees. This includes access to flexible work arrangements, generous leave entitlements, annual influenza immunisation, study assistance and a range of learning and development opportunities. Employees are also eligible to participate in salary sacrifice arrangements such as additional superannuation contributions and leased motor vehicles.

Performance Management Framework

The PM&C Performance Management Framework for non-SES staff supports PM&C in engaging and motivating our workforce to be high performing. We focus on both what we do and how we do it (behaviours and outcomes) and recognise our staff for contributions that go above and beyond their day-to-day work.

PM&C values leadership and corporate contributions made by employees through opportunities and roles that extend beyond day-to-day priorities, such as contribution to our employee networks and workplace representative roles. This ensures we draw on people's diverse and unique skills to contribute to a respectful, inclusive and safe culture at PM&C.

The PM&C SES Performance Framework sets out the standards of leadership behaviour and performance required of all SES leaders in PM&C. It provides the structure for regular and meaningful feedback and the process for formal performance assessment and salary advancement.

In 2023–24 the Secretaries Board agreed that all APS agencies will commence implementation of the new APS SES Performance Leadership Framework at the earliest opportunity. PM&C is taking a phased approach to implementation.

Rewards and recognition

In December 2023 the Secretary hosted the annual Secretary's Excellence Awards to recognise the outstanding contributions and performance of staff throughout the year. A record number of nominations were received for this year's awards – 54 nominations, made up of both individuals and teams, across all groups.

Two new categories were introduced this year to recognise excellence in 'Contribution to culture' and 'Integrity', reflecting the importance of not focusing solely on results, but focusing on the *how* and the *why*. These categories complement the continued recognition for Excellence in Collaboration and Leadership award categories.

Learning and development

Investment in continued learning at PM&C is essential to equip us with the skills and capability to meet the changing needs of the government and the Australian community.

In 2023–24 PM&C delivered a Corporate Training Calendar with learning offerings aligned to our critical skill needs. Courses covered topics such as economics, policy, advanced communication, inclusive leadership, performance, cultural intelligence, mental health awareness and wellbeing, and working more efficiently with the Microsoft suite.

A new Induction Program was introduced, providing new starters and their managers with the key information they need to hit the ground running at PM&C.

PM&C continued to invest in developing advanced leadership capability and public policy experience through the APS-wide SES Talent Councils, the Sir Roland Wilson PhD and Pat Turner Scholarship Programs, Jawun secondments and the Institute of Public Administration Australia's Future Leaders Program.

PM&C employees at all levels engaged with executive coaching services, undertook formal studies to achieve accredited qualifications, and undertook learning via the Learning Management System (Acorn) and annual mandatory training to ensure all staff are aware of their obligations and responsibilities as public servants.

We strengthened our business and reporting rules to support ongoing delivery of our mandatory training program and provide further assurance that our workers have key information about their role in maintaining a safe, ethical, inclusive and legally compliant workplace.

The department also actively supported the APS Academy in its delivery of the APS Learning and Development Strategy, and our staff attended a range of APS Academy courses. PM&C's Chief Operating Officer was a member on the APS Learning Board.

Disability reporting

Australia's Disability Strategy 2021–2031 is the overarching framework for inclusive policies, programs and infrastructure that will support people with disability to participate in all areas of Australian life.

The strategy sets out where practical changes will be made to improve the lives of people with disability in Australia. It acts to ensure the principles underpinning the United Nations Convention on the Rights of Persons with Disabilities are incorporated into Australia's policies and programs that affect people with disability, their families and carers.

All levels of government have committed to deliver more comprehensive and visible reporting under the strategy. A range of reports on progress of the strategy's actions and outcome areas will be published and available at: disabilitygateway.gov.au/ads.

Disability reporting is included in the APSC's State of the Service reports and the APS Statistical Bulletin. These reports are available at: apsc.gov.au.

Work health and safety

PM&C is committed to providing a healthy and safe working environment for all workers and visitors – including employees, contractors and others. We promote a robust safety and wellbeing culture – valuing physical and psychological health, safety and wellbeing and promoting inclusivity.

In October 2023 we released our updated PM&C Leadership Commitment Statement to Health Safety and Wellbeing, articulating the responsibility of leaders and the priority we place on the health, safety and wellbeing of our workers. This includes promoting and recognising safe, respectful and inclusive behaviours free from bullying, harassment, incivility, workplace violence, discrimination, sexual harassment and sex-based harassment.

We maintained our active network of Health and Safety Representatives (members of the Health, Safety and Wellbeing Committee) and our SES Wellbeing Champion. PM&C's Health and Safety Committee met 4 times during the year and led annual workplace hazard inspections.

We offered our employees a range of health and wellbeing initiatives, including annual flu vaccinations and an online Health and Wellbeing portal.

We delivered a program of engaging communication and education sessions as part of Safe Work Month in October 2023. Health promotion was strengthened by access to a program of monthly webinars encouraging mental and physical health awareness.

We continue to promote our ongoing offer of free counselling services to all employees and their immediate families through the Employee Assistance Program, with enhanced access to wellbeing content online and through the bespoke provider application. We encourage managers to access dedicated coaching resources through the Employee Assistance Program's Manager Assist program and coaching.

PM&C's risk management approach ensures workplace safety aligns with our overall Risk Management Framework, to support a positive risk culture and encourage embedding workplace health and safety (WHS) risk management into our business practices. PM&C embeds psychosocial risk management into our WHS Risk Framework and mandatory annual WHS training, ensuring we meet our positive obligations under legislation.

We take a proactive risk approach, implementing risk assessments and effective mitigations for key risk activities particular for our working environment. We continue to promote and support flexible working, providing effective mitigations for physical and psychosocial risks arising from remote and hybrid working.

PM&C did not have any notifiable incidents mandatorily notified to Comcare in 2023–24.

Ethical standards

The department expects and maintains the highest standard of behaviour and conduct from our staff. We have policies and procedures in place to ensure that appropriate behaviours and ethical standards, including the APS Code of Conduct and Values, are upheld and promoted in accordance with the *Public Service Act 1999*.

New non-ongoing and ongoing employees are required to complete annual mandatory training in relation to the APS Values, Code of Conduct and Employment Principles and integrity.

PM&C maintains a network of appropriately trained Workplace Respect Officers to provide advice and support to managers and employees on complaints processes within PM&C, including resolution options and escalation channels.

Alleged breaches of the Code of Conduct are taken seriously and managed in a timely and proportionate manner in accordance with our Appropriate Workplace Behaviour Policy and procedures for determining breaches of the APS Code of Conduct.

In 2023–24, in consultation with employees and their representatives, we undertook a review of our Appropriate Workplace Behaviour Policy. We also consulted on establishing a standalone Employee Complaints Policy to more clearly articulate the complaints channels, supports and resolution options available for all employees.

Environmental performance

PM&C is committed to continuing to act on climate change and improve the sustainability of its operations. This includes a commitment to achieving net zero emissions by 2030, and proactively engaging with climate-related risks and opportunities. Further information on climate action in government operations, including APS net zero, can be found at: finance.gov.au/government/climate-action-government-operations.

Commonwealth Climate Disclosure

The Commonwealth Climate Disclosure is the government's policy for Commonwealth entities to publicly report on their exposure to climate risks and opportunities, and their actions to manage them. This annual report includes PM&C's first climate-related disclosures, which have been prepared in accordance with the criteria outlined in the [Commonwealth Climate Disclosure Pilot Guidance](#).

Governance

PM&C is using existing governance structures, policies and tools to manage climate-related risks and opportunities. We see climate-related risk as a priority action area and will include climate-related risk and opportunity reporting in existing risk reporting arrangements and key corporate documentation.

The Secretary, as the Accountable Authority, is responsible for overseeing and disclosing climate-related risks and opportunities, in accordance with section 12 of the PGPA Act. The Secretary is also responsible for the sufficient allocation of resources, including appropriate skills and competencies, to ensure the successful management of opportunities and risks that may impact the achievement of departmental objectives.

To effectively manage the integration of the Climate Risk and Opportunity Management Program (CROMP) into PM&C operations, oversight of climate-related risk management is led by the Chief Operating Officer (COO). This includes overseeing PM&C's Risk Management Policy and Framework, risk appetite and tolerance, risk profile, and risk reporting. Under the COO's guidance, subject matter experts from key business functions will be involved in developing PM&C's approach to identifying and managing climate-related risks and opportunities. These activities, including developing PM&C's Climate Risk Assessment, will be reviewed and endorsed through existing governance structures – the Operations Committee, the Audit and Risk Committee and then the Executive Board. These committees meet regularly and have the authority to escalate urgent risks as needed to the Secretary.

This work will be consolidated with other important climate change related outcomes – including climate targets and progress towards those targets, and resourcing and capability requirements – to provide an overarching response to the impacts of climate change on PM&C’s operations. Due consideration is given to relevant trade-offs and policy constraints regarding the management of climate-related risks and opportunities, including in relation to any major transactions.

Advice will also be provided to the Secretary as part of normal reporting processes and especially when there is a significant change in the operating environment that may impact on PM&C’s ability to identify and respond to existing and emerging climate risks and opportunities.

The Governance, Performance and Audit Branch is responsible for coordinating and promoting the PM&C Risk Management Policy and Framework and associated documentation to comply with the [Commonwealth Risk Management Policy](#), developing risk updates and reports to executive committees and providing risk management advice, guidance and training to the department.

Further governance arrangements associated with risk oversight and management by PM&C’s Operations Committee, Audit and Risk Committee and Executive Board are outlined in the Committees section of this report at page 61.

Risk management

In 2023–24 PM&C embarked upon an initial organisation-wide risk assessment in accordance with our obligations under the Australian Government’s [Approach to Climate Risk and Opportunity Management in the Public Sector 2024–2026](#).

PM&C has initially focused on developing knowledge and building capability. In 2023–24 this involved using the eLearning CROMP modules on the APS Academy website and participating in CROMP workshops. In the second half of 2023–24 we commenced work on the first 3 steps of the CROMP organisation-wide climate risk and opportunity assessment: scoping the assessment; considering current and future state; and identifying risks and opportunities. We aim to complete these 3 steps, along with the remaining 3 steps of the organisation-wide climate risk and opportunity assessment, by the end of the 2024–25 reporting period.

Emissions reporting

The Greenhouse Gas Emissions Inventory presents greenhouse gas emissions over the 2023–24 period. Results are presented as carbon dioxide equivalent (CO₂-e) emissions. Emissions reporting for 2023–24 has expanded to include refrigerants (optional, scope 1), waste disposal and treatment (scope 3) and employee domestic non-air travel and accommodation (scope 3). Emissions have been calculated using the location-based approach (Table 28) and the market-based approach (Table 29).

Table 28: Greenhouse gas emissions inventory (location-based approach)

Emission source	Scope 1 kg CO ₂ -e	Scope 2 kg CO ₂ -e	Scope 3 kg CO ₂ -e	Total kg CO ₂ -e
Electricity	N/A	1,323,847	105,626	1,429,473
Natural gas	–	N/A	–	–
Solid waste ²¹	N/A	N/A	45,920	45,920
Fleet vehicles ²²	5,067	N/A	1,268	6,335
Domestic flights	N/A	N/A	535,793	535,793
Domestic hire car ²³	N/A	N/A	3,686	3,686
Domestic travel accommodation	N/A	N/A	250,767	250,767
Other energy	2,710	N/A	668	3,378
Total kg CO₂-e	7,776	1,323,847	943,727	2,275,350

Note: Due to rounding, kilogram emissions may not add up to the total.

21 A portion of solid waste data was unable to be separated from landlord data and has not been included.

22 Emissions from electricity consumed by electric and plug-in hybrid vehicles has only been reported for electricity directly purchased by PM&C. Emissions associated with electricity consumption from public charging stations has not been reported for 2023-24.

23 Emissions from hire cars for 2023-24 has been sourced from third party providers and may be incomplete. The quality of data is expected to improve over time as emissions reporting matures.

Table 29: Greenhouse gas emissions inventory (market-based approach)

Emission source	Scope 1 kg CO ₂ -e	Scope 2 kg CO ₂ -e	Scope 3 kg CO ₂ -e	Total kg CO ₂ -e
Electricity	N/A	113,284	13,986	127,270
Natural gas	–	N/A	–	–
Solid waste ²¹	N/A	N/A	45,920	45,920
Fleet vehicles ²²	5,067	N/A	1,268	6,335
Domestic flights	N/A	N/A	535,793	535,793
Domestic hire car ²³	N/A	N/A	3,686	3,686
Domestic travel accommodation	N/A	N/A	250,767	250,767
Other energy	2,710	N/A	668	3,378
Total kg CO₂-e	7,776	113,284	852,088	973,149

Note: Due to rounding, kilogram emissions may not add up to the total.

Information on the method used to calculate greenhouse gas emissions is included in the Commonwealth Climate Disclosure Pilot Metrics and Targets Factsheet, which is available on the Department of Finance website at: finance.gov.au/government/climate-action-government-operations/commonwealth-climate-disclosure-pilot.

APS Net Zero by 2030 target

PM&C is committed to contributing to the government’s APS Net Zero by 2030 target. We will report our progress towards the target annually through our climate disclosure. Our contribution to emissions reduction is outlined in our Emissions Reduction Plan, which is available on our website. Information on the APS Net Zero by 2030 target is included in the [Pilot Metrics and Targets Factsheet](#) on the Department of Finance website.

Emissions Reduction Plan

In 2023–24 PM&C developed our first Emissions Reduction Plan. The plan has been endorsed by the Secretary and provides an overview of PM&C's operational context and baseline emissions. It sets an emissions reduction target for PM&C of net zero emissions by 2030 and details new and existing initiatives to reduce emissions from our buildings, fleet vehicles and procurement activities.

Other sustainability initiatives

We continued to minimise our impacts on the environment in the areas of energy efficiency, waste and water use by:

- attaining a National Australian Built Environment Rating System (NABERS) rating of 4.5 stars for whole building energy and 4 stars for water at the Andrew Fisher Building (our Canberra office)
- using motion sensors in office work areas to reduce power usage when areas are not occupied
- operating as a 'paper-light office' by supporting the use of electronic document management and collaboration as well as digital and mobile technology solutions for staff
- using a 75,000-litre rainwater tank to flush toilets and water the gardens at the Andrew Fisher Building
- using Hydrowise – irrigation technology that uses weather outlooks from the Bureau of Meteorology – to prevent our irrigation system operating in periods of predicted rainfall
- using our 165 kw solar power system
- using LED lighting for the 2 basement car park levels in the Andrew Fisher Building to reduce energy consumption
- encouraging recycling by providing recycling and organic bins, battery recycling and coffee cup recycling, as well as waste bins
- supporting the collection of organic waste for composting on the local worm farm
- supporting the café in Andrew Fisher Building to send cooking oil for recycling for use in biodiesel manufacture and as biodiesel feedstock
- using drought-tolerant plants in gardens at the Andrew Fisher Building
- using energy saver mode for most office equipment when not in use.

Financial management

Financial performance 2023–24

The department's 2023–24 financial statements are presented at Part 4 of this report. The Auditor-General issued an unmodified audit opinion of these statements, noting that PM&C had appropriate and effective financial controls in place.

Activities administered on behalf of the government

In 2023–24 PM&C administered one program on behalf of the government. Administered expenses totalled \$171.8 million and comprised primarily of payments to corporate Commonwealth entities and companies (\$122.2 million, 71.1% of the total) and grant payments (\$36.0 million, 20.8% of the total).

Administered expenditure included:

- \$122.2 million paid to corporate Commonwealth entities and companies including various land councils and the Indigenous Land and Sea Corporation
- \$36.0 million on grants of which \$15.8 million was paid to the National Australia Day Council and \$20.2 million related to the Working for Women Program
- \$5.7 million for supplier expenses.

Departmental activities

The department reported an operating surplus of \$3.4 million. After adjusting for unfunded depreciation and amortisation as well as accounting for AASB 16 Lease, PM&C recorded an operating surplus of \$14.6 million. In the previous financial year, 2022–23, the department achieved a \$12.8 million surplus.

The above surpluses were due to short-term specific activities PM&C was tasked to facilitate.

In 2023–24 departmental expenses totalled \$334.0 million. Departmental revenue totalled \$45.2 million comprising income from contracts with customers and resources received free of charge. Revenue from government was \$292.1 million.

Table 30: Resourcing statement

	Actual available appropriation for 2023–24	Payment made 2023–24	Remaining balance 2023–24
	\$'000 (a)	\$'000 (b)	\$'000 (a)–(b)
Departmental appropriation ^{24 25}	438,243	347,087	91,156
Total	438,243	347,087	91,156
Administered expenses ²⁶			
Prior year administered appropriation			
Outcome 1: Prime Minister and Cabinet	68,326	47,349	
Payments to corporate Commonwealth entities and companies ²⁷	122,146	122,146	
Total	190,472	169,495	
Total ordinary annual services	A	628,715	516,582
Administered non-operating			
Administered assets and liabilities			
Payments to corporate Commonwealth entities and companies non-operating	26,192	26,192	
Total	26,192	26,192	
Total other services	B	26,192	26,192
Total available annual appropriations and payments	A+B	654,907	542,774
Total special appropriations	C		
Total special accounts ²⁸	D		
Total resourcing and payments			
A+B+C+D	654,907	542,774	
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or corporate Commonwealth entities and companies through annual appropriations	–	–	
Total net resourcing and payments for PM&C	654,907	542,774	

²⁴ *Appropriation Act (No. 1) 2023–24, Appropriation Act (No. 3) 2023–24 and Appropriation Act (No. 5) 2023–24.*

This also includes prior-year departmental appropriation, section 74 retained receipts, permanent quarantine and section 75. For further details refer to Note 5.1 to the financial statements.

²⁵ Includes an amount of \$11.490 million in 2023–24 for the departmental capital budget. For accounting purposes, this amount was designated as ‘contributions by owners’.

²⁶ Includes an amount of \$1.749 million in 2023–24 for the administered capital budget. For accounting purposes, this amount was designated as ‘contributions by owners’.

²⁷ Corporate Commonwealth entities are corporate Commonwealth entities and Commonwealth companies as defined under the PGPA Act.

²⁸ Does not include special relevant money held in accounts like the Services for Other Entities and Trust Monies Special Account.

Expenses for Outcome 1

Outcome 1: Provide high-quality policy advice and support to the Prime Minister, the Cabinet, portfolio ministers and parliamentary secretaries, including through the coordination of government activities, policy development, and program delivery.

Table 31: Expenses by Outcome

	Budget* 2023–24	Actual expenses 2023–24	Variation 2023–24
	\$'000 (a)	\$'000 (b)	\$'000 (a)–(b)
Program 1.1: Prime Minister and Cabinet			
Administered expenses			
Ordinary annual services (Appropriation Acts Nos 1, 3 and 5)	177,057	171,359	5,698
Special appropriations	10	–	10
Special accounts	–	–	–
Expenses not requiring appropriation in the Budget year ²⁹	610	486	124
Departmental expenses			
Departmental appropriation ³⁰	329,898	322,761	7,137
Expenses not requiring appropriation in the Budget year ²⁹	11,613	11,262	351
Total for Program 1.1	519,188	505,868	13,320
Outcome 1: Total by appropriation type			
Administered expenses			
Ordinary annual services (Appropriation Acts Nos 1, 3 and 5)	177,057	171,359	5,698
Special appropriations	10	–	10
Special accounts	–	–	–
Expenses not requiring appropriation in the Budget year ²⁹	610	486	124
Departmental expenses			
Departmental appropriation ³⁰	329,898	322,761	7,137
Expenses not requiring appropriation in the Budget year ²⁹	11,613	11,262	351
Total expenses for Outcome 1	519,188	505,868	13,320
	2023–24 Budget	2023–24 Actuals	Variation
Average staffing level (number)	1,352	1,252	100

* Full year budget, including any subsequent adjustment made to the 2023–24 budget at Additional Estimates.

²⁹ Expenses not requiring appropriation in the Budget year are made up of depreciation and amortisation expenses, impairment of receivables, audit fees and resources provided free of charge.

³⁰ Departmental appropriation combines ordinary annual services (Appropriation Acts Nos 1, 3 and 5) and retained receipts under section 74 of the PGPA Act.

Non-compliance with finance law

In 2023–24 the department had no significant issues under paragraph 19(1)(e) of the PGPA Act relating to non-compliance with the finance law.

Purchasing and procurement

The department's approach to procuring goods and services, including consultancies, was undertaken in accordance with the PGPA Act and the Commonwealth Procurement Rules (CPRs).

These rules are applied to activities through the department's Accountable Authority Instructions and supporting financial management policies, procedures and guidelines.

The department undertakes competitive, non-discriminatory procurement processes; uses resources efficiently, effectively, economically and ethically; and makes decisions in an accountable manner.

The department's annual procurement plan is available on the AusTender website (www.tenders.gov.au).

No contracts in excess of \$10,000 (inclusive of GST) or standing offers were exempted by the Secretary from publishing on AusTender on the basis that publication would disclose exempt matters under the *Freedom of Information Act 1982*.

Reportable consultancy contracts

During 2023–24, 16 new reportable consultancy contracts were entered into involving total actual expenditure of \$984,256 (inclusive of GST). In addition, 9 ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$2,512,589 (inclusive of GST).

The department selects consultants through the use of panel arrangements, limited tender or open approaches to market. The department engages consultants when specialist expertise or independent research, review and assessment that assists with agency decision-making is required. Decisions to engage consultants are made in accordance with the PGPA Act and related rules, including the CPRs and relevant policies and procedures.

Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website (www.tenders.gov.au).

Table 32: Expenditure on reportable consultancy contracts current reporting period (2023–24)

	Number	Expenditure \$ (GST inc.)
New contracts entered into during the reporting period	16	984,256
Ongoing contracts entered into during a previous reporting period	9	2,512,589
Total	25	3,496,845

Table 33: Organisations receiving a share of reportable consultancy contract expenditure current reporting period (2023–24)

Name of organisation	Organisation ABN	Expenditure \$ (GST inc.)
Deloitte Touche Tohmatsu	74490121060	1,867,866
Taylor Fry Pty Ltd	29087047809	363,500
1 and One Pty Ltd	13637567947	149,875
Zibelman Energy Advisors, Inc.	ABN Exempt	147,889
Richardson, Dennis James	66498620494	129,267

Reportable non-consultancy contracts

During 2023–24, 352 new reportable non-consultancy contracts were entered into involving total actual expenditure of \$44,759,217 (inclusive of GST). In addition, 455 ongoing reportable non-consultancy contracts were active during the period, involving total actual expenditure of \$94,380,818 (inclusive of GST).

Decisions to engage a supplier were made in accordance with the PGPA Act and related rules, including the CPRs and relevant internal policies.

Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website (www.tenders.gov.au).

Table 34: Reportable non-consultancy contract expenditure current reporting period (2023–24)

	Number	Expenditure \$ (GST inc.)
New contracts entered into during the reporting period	352	44,759,217
Ongoing contracts entered into during a previous reporting period	455	94,380,818
Total	807	139,140,035

Table 35: Organisations receiving a share of reportable non-consultancy contract expenditure current reporting period (2023–24)

Name of organisation	Organisation ABN	Expenditure \$ (GST inc.)
ISPT Pty Ltd	15421756611	11,791,693
Melbourne Convention and Exhibition Trust	17434286169	7,664,096
Exponet Pty Ltd	45132935105	6,319,594
Deloitte Touche Tohmatsu	74490121060	5,921,358
Data#3 Limited	31010545267	5,541,222

Australian National Audit Office access

The following contracts entered into during the reporting period with a value of \$100,000 or greater (inclusive of GST) did not include the standard Auditor-General access clause.

Table 36: Contracts without standard Auditor-General access (2023–24)

Name of contractor	Purpose	Total contract value \$ (GST inc.)	Reason for not including access clauses
Melbourne Convention and Exhibition Trust	Events management	7,780,001	Standard industry practice to enter into supplier terms and conditions
ServiceNow Australia Pty Ltd	Software maintenance and support	1,612,759	Standard industry practice to enter into supplier terms and conditions
The Trustee for the Australian Hotels (Melbourne) Trust	Hotels and lodging and meeting facilities	580,650	Standard industry practice to enter into supplier terms and conditions
Microsoft Pty Ltd	Temporary personnel services	489,500	Standard industry practice to enter into supplier terms and conditions
FEC Hotel Operations Melbourne WSP Pty Ltd	Hotels and lodging and meeting facilities	371,500	Standard industry practice to enter into supplier terms and conditions
The Trustee for GH Operating Trust	Hotels and lodging and meeting facilities	349,100	Standard industry practice to enter into supplier terms and conditions

Name of contractor	Purpose	Total contract value \$ (GST inc.)	Reason for not including access clauses
Microsoft Pty Ltd	Software maintenance and support	326,150	Standard industry practice to enter into supplier terms and conditions
Vicinity Asset Operations Pty Ltd	Events management	316,200	Standard industry practice to enter into supplier terms and conditions
The Trustee for Success Venture (Melbourne) Unit Trust	Hotels and lodging and meeting facilities	272,160	Standard industry practice to enter into supplier terms and conditions
Bloomberg Australia Pty Ltd	Telecommunications media services	222,000	Standard industry practice to enter into supplier terms and conditions
Daisho Development Melbourne Pty Ltd	Hotels and lodging and meeting facilities	182,445	Standard industry practice to enter into supplier terms and conditions
Southgate Hotel Management Pty Ltd	Hotels and lodging and meeting facilities	181,951	Standard industry practice to enter into supplier terms and conditions
EBSCO International Inc.	Information services	175,000	Standard industry practice to enter into supplier terms and conditions

Procurement initiatives to support small business

The department supports small business participation in the Commonwealth Government procurement market. Small and medium enterprises (SME) and small enterprise participation statistics are available on the Department of Finance's website (www.finance.gov.au).

The department encourages staff to consider the disaggregation of large projects to provide more opportunities for SMEs, aligning with the 1 July 2022 amendment to the CPRs. In addition, where appropriate, staff are advised of exemption 17 of the CPRs, relating to the use of SMEs up to \$200,000.

The department remains committed to ensuring SMEs can engage in fair competition and demonstrates this through procurement practices, including use of templates from the Commonwealth Contracting Suite for procurements valued under \$200,000. Our practices also support the use of electronic systems such as e-invoicing and credit cards for purchases under \$10,000 (GST inclusive).

The department recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Department of the Treasury's website (www.treasury.gov.au).

Advertising and market research

The department did not undertake any information or advertising campaigns during 2023–24. The department did not make any payments to direct mail organisations or polling organisations.

In accordance with section 311A of the [Commonwealth Electoral Act 1918](#) payments of \$16,300 or more (inclusive of GST) to advertising agencies, market research organisations and media advertising organisations are set out in Table 37.

Table 37: Advertising and market research

Organisation	Purpose	Expenditure \$ (GST inc.)
Whereto Research Based Consulting Pty Ltd	Market research to inform development of communication products	219,395
Horizon Communication Group Pty Ltd	Public relations, communications, marketing to inform future communication approaches	87,798
Mediabrand Australia Pty Ltd	Recruitment advertising and platforms to support the 2025 graduate program	82,629
Mediabrand Australia Pty Ltd	Advertising the public notice of the COVID-19 Response Inquiry's call for public submissions and evidence	36,143
SEC Newgate Pty Limited	Market research services to inform the COVID-19 Response Inquiry	32,483
The Monkeys Pty Limited	Public relations, communications, marketing to inform future communication approaches	31,667
IPSOS Public Affairs Pty Ltd	Market research to inform future communication approaches	25,582
Mediabrand Australia Pty Ltd	Advertising CEO and advisory board roles for the Parliamentary Workplace Support Service	24,462
ORIMA Research Pty Ltd	Market research services to inform the COVID-19 Response Inquiry	19,275

Grant programs

Information on grants awarded by PM&C during the period 1 July 2023 to 30 June 2024 is available at: grants.gov.au.



Part 4: Financial statements







INDEPENDENT AUDITOR'S REPORT

To the Prime Minister

Opinion

In my opinion, the financial statements of the Department of the Prime Minister and Cabinet (the Entity) for the year ended 30 June 2024:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2024 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2024 and for the year then ended:

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

Basis for opinion

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

Accountable Authority's responsibility for the financial statements

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

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

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

Key audit matters

I have determined that there are no key audit matters to communicate in my report.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Australian National Audit Office

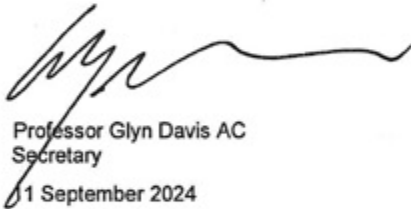


Peter Kerr
Executive Director
Delegate of the Auditor-General
Canberra
13 September 2024

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
STATEMENT BY THE SECRETARY AND CHIEF FINANCIAL OFFICER**

In our opinion, the attached financial statements for the year ended 30 June 2024 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

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



Professor Glyn Davis AC
Secretary
11 September 2024



Amanda Cross
A/g Chief Financial Officer
11 September 2024

DEPARTMENT OF THE PRIME MINISTER AND CABINET
STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 June 2024

	Notes	2024 \$'000	2023 \$'000	Original budget ¹ \$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	194,329	161,191	190,108
Suppliers	1.1B	118,125	109,235	127,114
Grants	1.1C	-	549	-
Depreciation and amortisation	3.2	20,314	20,413	19,049
Finance costs	1.1D	1,181	1,286	1,171
Impairment loss on financial instruments		-	335	-
Write-down and impairment of other assets	3.2	74	23	-
Total expenses		<u>334,023</u>	<u>293,032</u>	<u>337,442</u>
Own-source income				
Own-source revenue				
Revenue from contracts with customers	1.2A	36,634	56,613	33,975
Resources received free of charge	1.2B	8,555	4,553	-
Total own-source revenue		<u>45,189</u>	<u>61,166</u>	<u>33,975</u>
Gains				
Other gains		178	-	-
Total gains		<u>178</u>	<u>-</u>	<u>-</u>
Total own-source income		<u>45,367</u>	<u>61,166</u>	<u>33,975</u>
Net cost of services		<u>288,656</u>	<u>231,866</u>	<u>303,467</u>
Revenue from Government - departmental appropriations		<u>292,100</u>	<u>232,763</u>	<u>292,357</u>
Surplus		<u>3,444</u>	<u>897</u>	<u>(11,110)</u>
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation surplus		<u>2,284</u>	<u>1,266</u>	<u>-</u>
Total comprehensive profit		<u>5,728</u>	<u>2,163</u>	<u>(11,110)</u>

¹ For budget commentary, refer to page 130.

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
STATEMENT OF FINANCIAL POSITION
as at 30 June 2024

	Notes	2024 \$'000	2023 \$'000	Original budget ¹ \$'000
ASSETS				
Financial assets				
Cash and cash equivalents		1,672	1,934	1,862
Trade and other receivables	3.1	77,035	66,463	49,887
Accrued revenue		5,763	5,682	4,294
Total financial assets		84,470	74,079	56,043
Non-financial assets				
Property, plant and equipment ²	3.2	120,728	133,405	126,807
Intangibles	3.2	13,920	6,962	16,809
Prepayments		6,347	6,929	7,060
Total non-financial assets		140,995	147,296	150,676
Total assets		225,465	221,375	206,719
LIABILITIES				
Payables				
Trade creditors and accruals	3.3A	10,607	11,118	11,018
Other payables	3.3B	10,058	9,737	3,972
Total payables		20,665	20,855	14,990
Interest bearing liabilities				
Leases	3.4	88,629	97,494	88,248
Total interest bearing liabilities		88,629	97,494	88,248
Provisions				
Employee provisions	6.1A	53,373	45,478	45,474
Make good provisions	3.5	513	293	275
Total provisions		53,886	45,771	45,749
Total liabilities		163,180	164,120	148,987
Net assets		62,285	57,255	57,732
EQUITY				
Contributed equity		214,565	215,263	239,457
Accumulated (deficit)		(159,910)	(163,354)	(185,806)
Reserves		7,630	5,346	4,081
Total equity		62,285	57,255	57,732

¹ For budget commentary, refer to page 130.

² Right-of-use assets are included in the property, plant and equipment line item.

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2024

	2024 \$'000	2023 \$'000	Original budget ¹ \$'000
CONTRIBUTED EQUITY			
Opening balance			
Balance carried forward from previous period	215,263	216,515	227,906
Transactions with owners			
Distributions to owners			
Return of capital:			
Restructuring ²	-	(12,054)	-
Appropriations withheld ³	(12,188)	-	-
Contributions by owners			
Departmental Capital Budget	11,490	10,802	11,551
Total transactions with owners	(698)	(1,252)	11,551
Closing balance as at 30 June	214,565	215,263	239,457
ACCUMULATED DEFICIT			
Opening balance			
Balance carried forward from previous period	(163,354)	(164,743)	(174,696)
Other ⁴	-	492	-
Adjusted opening balance	(163,354)	(164,251)	(174,696)
Comprehensive income			
Surplus for the period	3,444	897	(11,110)
Total comprehensive income	3,444	897	(11,110)
Closing balance as at 30 June	(159,910)	(163,354)	(185,806)

¹ For budget commentary, refer to page 130.

² On 23 June 2022, the Governor-General signed the Administrative Arrangements Order (AAO), which took effect from 1 July 2022. There were several restructures that impacted the department. Amount includes appropriations withheld under section 51 of the PGPA Act (\$5.193 million) and net assets relinquished (\$6.861 million), refer to Note 8.2 Restructuring.

³ Appropriations withheld under section 51 of the PGPA Act (\$12.188 million) against *Appropriation Act (No. 3) 2022-2023* relates to the 2023 QUAD Leader's Summit.

⁴ Relates to historical correction relating to assets recognised by shared service clients which were disposed by the department. It was incorrectly posted to equity in 2019-20 rather than against the credit note (work-in-progress).

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2024

	2024 \$'000	2023 \$'000	Original budget ¹ \$'000
ASSET REVALUATION RESERVE			
Opening balance			
Balance carried forward from previous period	5,346	4,080	4,081
Comprehensive income			
Other comprehensive income	2,284	1,266	-
Closing balance as at 30 June	7,630	5,346	4,081
TOTAL EQUITY			
Opening balance			
Balance carried forward from previous period	57,255	55,852	57,291
Other ²	-	492	-
Adjusted opening balance	57,255	56,344	57,291
Comprehensive income			
Other comprehensive income	2,284	1,266	-
Surplus for the period	3,444	897	(11,110)
Total comprehensive income	5,728	2,163	(11,110)
Transactions with owners			
Distributions to owners			
Return of capital:			
Restructuring ³	-	(12,054)	-
Appropriations withheld ⁴	(12,188)	-	-
Contributions by owners			
Departmental Capital Budget	11,490	10,802	11,551
Total transactions with owners	(698)	(1,252)	11,551
Closing balance as at 30 June	62,285	57,255	57,732

¹ For budget commentary, refer to page 130.

² Relates to historical correction relating to assets recognised by shared service clients which were disposed by the department. It was incorrectly posted to equity in 2019-20 rather than against the credit note (work-in-progress).

³ On 23 June 2022, the Governor-General signed the Administrative Arrangement Order (AAO), which took effect from 1 July 2022. There were several restructures that impacted the department. Amount includes appropriations withheld under section 51 of the PGPA Act (\$5.193 million) and net assets relinquished (\$6.861 million), refer to Note 8.2 Restructuring.

⁴ Appropriations withheld under section 51 of the PGPA Act (\$12.188 million) against *Appropriation Act (No. 3) 2022-2023* relates to the 2023 QUAD Leader's Summit.

Accounting Policy

Equity injections

Amounts appropriated which are designated as equity injections for a year (less any formal reductions) and departmental capital budgets are recognised directly in contributed equity in that year.

Restructuring of administrative arrangements

Net assets received from or relinquished to another government entity under a restructuring of administrative arrangements are adjusted at their book value directly against contributed equity.

Other distributions to owners

The *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR) requires that distributions to owners be debited to contributed equity unless it is in the nature of a dividend.

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
CASH FLOW STATEMENT
for the period ended 30 June 2024

	2024	2023	Original budget ¹
	\$'000	\$'000	\$'000
OPERATING ACTIVITIES			
Cash received			
Sale of goods and rendering of services	33,925	53,738	33,975
GST received (net)	15,798	11,613	-
Appropriations	<u>316,047</u>	<u>270,726</u>	<u>326,332</u>
Total cash received	<u>365,770</u>	<u>336,077</u>	<u>360,307</u>
Cash used			
Employees	184,544	157,014	190,108
Suppliers	125,294	115,024	127,114
Grants	-	549	-
Retained receipts transferred to Official Public Account	33,783	53,528	33,975
Interest payments on lease liabilities	<u>1,181</u>	<u>1,286</u>	<u>1,171</u>
Total cash used	<u>344,802</u>	<u>327,401</u>	<u>351,507</u>
Net cash from operating activities	<u>20,968</u>	<u>8,676</u>	<u>8,800</u>
INVESTING ACTIVITIES			
Cash used			
Purchase of property, plant and equipment	3,135	3,880	11,551
Purchase of intangibles	<u>8,987</u>	<u>2,555</u>	<u>-</u>
Total cash used	<u>12,122</u>	<u>6,435</u>	<u>11,551</u>
Net cash (used by) investing activities	<u>(12,122)</u>	<u>(6,435)</u>	<u>(11,551)</u>
FINANCING ACTIVITIES			
Cash received			
Contributed equity			
Departmental Capital Budget	<u>12,206</u>	<u>6,318</u>	<u>11,551</u>
Total cash received	<u>12,206</u>	<u>6,318</u>	<u>11,551</u>
Cash used			
Appropriations withheld ²	12,188	-	-
Principal payments of lease liabilities	<u>9,126</u>	<u>8,487</u>	<u>8,800</u>
Total cash used	<u>21,314</u>	<u>8,487</u>	<u>8,800</u>
Net cash (used by) financing activities	<u>(9,108)</u>	<u>(2,169)</u>	<u>2,751</u>
Net increase / (decrease) in cash held	<u>(262)</u>	<u>72</u>	<u>-</u>
Cash and cash equivalents at the beginning of the reporting period	<u>1,934</u>	<u>1,862</u>	<u>1,862</u>
Cash and cash equivalents at the end of the reporting period	<u>1,672</u>	<u>1,934</u>	<u>1,862</u>

¹ For budget commentary, refer to page 130.

² Refer to Note 5.1A Appropriations, footnote 6.

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
BUDGET COMMENTARY
for the period ended 30 June 2024

Departmental budget variance

The below table provides commentary for significant variances between PM&C's original budget estimates, as published in the 2023-24 Portfolio Budget Statements, and the actual expenditure and net asset position for the year.

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

- the variance between budget and actual is greater than + / - 10% of the original budget for a line item;
- an item that is below this threshold but is considered important for the reader's understanding; and
- variances relating to balance sheet and cash flows are as a result of the factors explained for net cost of services variations. Unless otherwise individually significant, no additional commentary has been included.

Explanation of major variances

Affected line items and statement

Employee benefits

In 2023-24, the Australian Government took steps to move towards greater commonality of APS-wide terms and conditions of employment.

The department's new Enterprise Agreement 2024-27 commenced on 14 March 2024 with a four percent pay increase effective on that date and a one-off payment to eligible employees which were not reflected in the original budget.

Employee benefits – Statement of Comprehensive Income
 Other payables – Statement of Financial Position
 Employee provisions – Statement of Financial Position

Suppliers expense

The department implemented major measures such as the 2024 ASEAN-Australia Special Summit, Net Zero Economy Agency, and the COVID-19 Response Inquiry.

Actual expenditure is less than budgeted primarily due to lower than anticipated ICT costs for the 2024 ASEAN-Australian Special Summit and timing variances for the COVID-19 Response Inquiry.

The ongoing requirement for taskforces, which are not budgeted, contributed to supplier expenses and own source revenue (from seconded employees from other government entities).

The short term nature of taskforces means that PM&C source secondees from other agencies to staff taskforces. These secondees are often resources provided free of charge.

Suppliers expense – Statement of Comprehensive Income
 Resources received free of charge – Statement of Comprehensive Income
 Cash and cash equivalent – Statement of Financial Position
 Prepayments – Statement of Financial Position
 Trade creditors and accruals – Statement of Financial Position

Asset purchases, depreciation and amortisation

The actual expenditure is lower than budgeted due to the delay in delivery of the ICT backup solution (different solution is being developed) and reclassification of project elements budgeted as capital to operating expenditure.

Slower than anticipated recruitment for the Net Zero Economy Agency resulted in lower property fit-out costs as current tenancies were fit for purpose. This resulted in lower purchases and depreciation.

Depreciation and amortisation – Statement of Comprehensive Income
 Property plant and equipment – Statement of Financial Position
 Intangible – Statement of Financial Position
 Purchased of PPE and intangibles – Cash Flow Statement
 Departmental capital budget – Cash Flow Statement

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
BUDGET COMMENTARY
for the period ended 30 June 2024

Departmental budget variance (continued)	
Explanation of major variances	Affected line items and statement
<p>Revenue from contracts with customers and Resources received free of charge</p> <p>Revenue is more than anticipated due to cost adjustments for shared services function (APSC and NIAA) and an increase in charged secondees (seconded PM&C employees to other government agencies).</p> <p>The short term nature of taskforces means that PM&C source secondees from other agencies to staff taskforces. These secondees are often resources provided free of charge.</p>	<p>Revenue from contracts with customers – Statement of Comprehensive Income</p> <p>Resources received free of charge – Statement of Comprehensive Income</p> <p>Accrued revenue – Statement of Financial Position</p>
<p>Revenue from Government and appropriation receivables</p> <p>The department received additional budget measures through <i>Appropriation Act (No.3) 2023-24</i> and <i>Appropriation Act (No.5) 2023-24</i> offset by a reclassification between departmental and administered funding which were not reflected in the original budget.</p> <p>In addition, the responsibility for the Australian Public Sector Reform Office was transferred to the Australian Public Service Commission during the financial year. This took effect from 23 November 2023.</p> <p>The increase in appropriation receivables is due to additional budget measures and underspends in the 2024 ASEAN-Australia Summit and COVID-19 Inquiry resulting in appropriation not being drawdown.</p>	<p>Revenue from Government – Statement of Comprehensive Income</p> <p>Trade and other receivables – Statement of Financial Position</p> <p>Appropriations – Cash Flow statement</p> <p>Permanent quarantine Quad Summit – Cash Flow statement</p>

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

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
ADMINISTERED SCHEDULE OF COMPREHENSIVE INCOME**
for the period ended 30 June 2024

	Notes	2024 \$'000	2023 \$'000	Original budget ¹ \$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	2.1A	2,289	2,408	2,333
Suppliers	2.1B	5,661	5,574	10,237
Grants	2.1C	35,955	45,245	40,370
Depreciation	4.2	894	743	649
Finance costs	2.1D	4,900	485	457
Payments to corporate Commonwealth entities and companies	2.1E	122,146	114,273	122,211
Total expenses		171,845	168,728	176,257
Income				
Revenue				
Non-taxation revenue				
Other revenue	2.2A	1,140	1,342	-
Total non-taxation revenue		1,140	1,342	-
Total revenue		1,140	1,342	-
Gains				
Other gains		19	-	-
Total gains		19	-	-
Total income		1,159	1,342	-
Net cost of services		170,686	167,386	176,257
(Deficit)		(170,686)	(167,386)	(176,257)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation reserve		120,546	725,596	-
Items subject to subsequent reclassification to net cost of services				
Actuarial loss - former Governors-General entitlements	6.1C	(1,787)	(1,312)	-
Total other comprehensive income		118,759	724,284	-
Total comprehensive income (deficit)		(51,927)	556,898	-

¹ For budget commentary, refer to page 134.

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

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
ADMINISTERED SCHEDULE OF ASSETS AND LIABILITIES
as at 30 June 2023⁴**

	Notes	2024 \$'000	2023 \$'000	Original budget ¹ \$'000
ASSETS				
Financial assets				
Cash		-	-	-
Trade and other receivables		175	309	93
Investments in corporate Commonwealth entities	4.1	<u>3,883,169</u>	<u>3,737,443</u>	<u>3,538,205</u>
Total financial assets		<u>3,883,344</u>	<u>3,737,752</u>	<u>3,538,298</u>
Non-financial assets				
Property, plant and equipment ²	4.2	<u>63,240</u>	<u>60,568</u>	<u>65,203</u>
Prepayments		<u>59</u>	<u>49</u>	<u>51</u>
Total non-financial assets		<u>63,299</u>	<u>60,617</u>	<u>65,254</u>
Total assets administered on behalf of Government		<u>3,946,643</u>	<u>3,798,369</u>	<u>3,603,552</u>
LIABILITIES				
Payables				
Trade creditors and accruals		<u>1,455</u>	<u>611</u>	<u>315</u>
Other payables		<u>98</u>	<u>75</u>	<u>56</u>
Total payables		<u>1,553</u>	<u>686</u>	<u>371</u>
Interest bearing liabilities				
Leases	4.3	<u>333</u>	<u>536</u>	<u>634</u>
Total interest bearing liabilities		<u>333</u>	<u>536</u>	<u>634</u>
Provisions				
Employee provisions	6.1B	<u>750</u>	<u>698</u>	<u>681</u>
Non-cash benefits - former Governors-General	6.1C	<u>19,256</u>	<u>13,946</u>	<u>16,049</u>
Make good provisions	4.4	<u>295</u>	<u>385</u>	<u>-</u>
Total provisions		<u>20,301</u>	<u>15,029</u>	<u>16,730</u>
Total liabilities administered on behalf of Government		<u>22,187</u>	<u>16,251</u>	<u>17,735</u>
Net assets		<u>3,924,456</u>	<u>3,782,118</u>	<u>3,585,818</u>

¹ For budget commentary, refer to page 134.

² Right-of-use assets are included in the property, plant and equipment.

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

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
ADMINISTERED BUDGET COMMENTARY
as at 30 June 2024**

Administered budget variance	
<p>The below table provides commentary for significant variances between PM&C's original budget estimates for administered functions, as published in the 2023-24 Portfolio Budget Statements, and the actual expenditure and net asset position for the year.</p>	
<p>Variances are considered to be 'significant' if they are core to the agency's activities and based on the following:</p> <ul style="list-style-type: none"> the variance between budget and actual is greater than + / - 10% of the original budget for a line item; an item that is below this threshold but is considered important for the reader's understanding or is relevant to an analysis of the agency's performance; and variances relating to balance sheet and cash flows are as a result of the factors explained for net cost of services variations. Unless otherwise individually significant, no additional commentary has been included. 	
Explanation of major variances	Affected line items and statement
<p>Employee benefits</p> <p>In 2023-24, the Australian Government took steps to move towards greater commonality of APS-wide terms and conditions of employment.</p> <p>The department's new Enterprise Agreement 2024-27 commenced on the 14 March 2024 with a four percent pay increase effective on that date and a one-off payment to eligible employees which were not reflected in the original budget. This is reflected in the increase in other payables and employee provision in the administered schedule of assets and liabilities.</p> <p>Majority of the pay increase is offset by a reduction in overtime payments, other employee payments and allowances.</p>	<p>Employee benefits - Administered Schedule of Comprehensive Income</p> <p>Other payables - Administered Schedule of Assets and Liabilities</p> <p>Employee provisions - Administered Schedule of Assets and Liabilities</p>
<p>Suppliers expense</p> <p>Actual expenditure is less than budget mainly due to recognition of new service cost for new Governor-General Mostyn which was budgeted against supplier expense rather than finance costs.</p> <p>Higher supplier accruals due to activities related to Net Zero Economy Agency and fit out cost for property resulted in an increase in prepayments and trade creditors and accruals in the Administered Schedule of Assets and Liabilities.</p>	<p>Suppliers expense - Statement of Comprehensive Income</p> <p>Prepayment - Administered Schedule of Assets and Liabilities</p> <p>Trade creditors and accruals - Administered Schedule of Assets and Liabilities</p>
<p>Grants expense</p> <p>Grant expense is lower than budgeted due to delays in the Social Impact Investing grant program and Working for Women grant program being re-profiled to align with the Working for Women Strategy for Gender Equality.</p>	<p>Grants expense - Administered Schedule of Comprehensive Income</p>
<p>Asset purchases, depreciation and amortisation</p> <p>New lease for the former Governor-General Hollingworth Melbourne office contributed to depreciation and amortisation expense being higher than budgeted.</p> <p>The increase in property, plant and equipment (financial position) is mainly due to the Kirribilli External Landscapes and Seawall Project (work-in-progress) which was delayed from 2022-23.</p>	<p>Depreciation and amortisation - Administered Schedule of Comprehensive Income</p> <p>Property plant and equipment - Administered Schedule of Assets and Liabilities</p> <p>Leases - Administered Schedule of Assets and Liabilities</p>

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

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
ADMINISTERED BUDGET COMMENTARY
as at 30 June 2024**

Administered budget variance (continued)	
Explanation of major variances	Affected line items and statement
<p>Finance cost and Former Governor-General</p> <p>Two significant events have had a major impact on the estimates, which is, the passing of former Governor-General Hayden and the appointment of new Governor-General Mostyn.</p> <p>Majority of the increase in the provision is due to increase in expected mortality and increase in average cost assumption associated with the appointment of the new Governor-General.</p> <p>The adjustment for the new Governor-General was budgeted against supplier expense rather than finance costs.</p>	<p>Finance costs - Administered Schedule of Comprehensive Income</p> <p>Actuarial gain - Administered Schedule of Comprehensive Income</p> <p>Non cash benefit - Former Governor-General - Administered Schedule of Assets and Liabilities</p>
<p>Changes in asset revaluation reserve</p> <p>Movement in net asset balance in investment in corporate Commonwealth entities and companies which was not budgeted.</p> <p>Majority of the movement between financial years relates to Northern Territory Aboriginal Investment Corporation which was established in 2022-23.</p>	<p>Changes in asset revaluation reserve - Administered Schedule of Comprehensive Income</p> <p>Investments in corporate Commonwealth entities - Administered Schedule of Assets and Liabilities</p> <p>Revaluation transferred to reserves - Administered Reconciliation Schedule</p>

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

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
ADMINISTERED RECONCILIATION SCHEDULE**
for the period ended 30 June 2024

	2024 \$'000	2023 \$'000
Opening assets less liabilities as at 1 July	3,782,118	3,131,769
Net cost of services		
Income	1,159	1,342
Expenses		
Payments to entities other than corporate Commonwealth entities and companies	(49,699)	(54,455)
Payments to corporate Commonwealth entities and companies	(122,146)	(114,273)
Other comprehensive income		
Revaluations transferred to reserves	120,546	725,596
Make good transferred to reserves	(19)	-
Actuarial (loss) through equity	(1,787)	(1,312)
Transfers (to) / from the Australian Government		
Appropriation transfers from Official Public Account		
Annual appropriation for administered expenses (non-corporate Commonwealth entities and companies)	49,694	58,711
Annual appropriation for payment to corporate Commonwealth entities and companies	122,146	114,273
Transfers (to) Official Public Account	(3,748)	(4,049)
Equity injection to corporate Commonwealth entities and companies	26,192	41,674
Restructuring ¹	-	(117,158)
Closing assets less liabilities as at 30 June	3,924,456	3,782,118

¹ On 23 June 2022, the Governor-General signed the Administrative Arrangement Order (AAO), which took effect from 1 July 2022. There were several restructures that impacted the department. Refer to Note 8.2 Restructuring.

Accounting Policy

Administered cash transfers to and from the Official Public Account

Revenue collected by PM&C for use by the Government rather than for the department is administered revenue. Cash received is transferred to the Official Public Account (OPA), held by the Department of Finance.

Conversely, cash is drawn from the OPA to make payments under appropriation on behalf of Government. These transfers to and from the OPA are adjustments to the cash held by PM&C and reported in the Administered Cash Flow Statement and in the Administered Reconciliation Schedule.

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
ADMINISTERED CASH FLOW STATEMENT
for the period ended 30 June 2024

	2024	2023
	\$'000	\$'000
OPERATING ACTIVITIES		
Cash received		
GST received (net)	2,570	2,992
Other	1,138	1,342
Total cash received	<u>3,708</u>	<u>4,334</u>
Cash used		
Employees	2,204	2,298
Suppliers	6,925	7,518
Grant payments	37,822	47,518
Payments to corporate Commonwealth entities and companies	122,146	114,273
Interest payments on lease liabilities	19	5
Total cash used	<u>169,116</u>	<u>171,612</u>
Net cash (used by) operating activities	<u>(165,408)</u>	<u>(167,278)</u>
INVESTING ACTIVITIES		
Cash used		
Purchase of property, plant and equipment	2,276	1,299
Payments to corporate Commonwealth entities and companies	26,192	41,674
Total cash used	<u>28,468</u>	<u>42,973</u>
Net cash (used by) investing activities	<u>(28,468)</u>	<u>(42,973)</u>
FINANCING ACTIVITIES		
Cash used		
Principal payments of lease liabilities	408	360
Total cash used	<u>408</u>	<u>360</u>
Net cash (used by) financing activities	<u>(408)</u>	<u>(360)</u>
Net (decrease) in cash held	<u>(194,284)</u>	<u>(210,611)</u>
Cash and cash equivalents at the beginning of the reporting period	-	-
Cash from Official Public Account		
Appropriations	198,032	214,658
Total cash from the Official Public Account	<u>198,032</u>	<u>214,658</u>
Cash to Official Public Account		
Appropriations	(3,748)	(4,049)
Total cash to the Official Public Account	<u>(3,748)</u>	<u>(4,049)</u>
Cash and cash equivalents at the end of the reporting period	<u>-</u>	<u>-</u>

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2024

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DEPARTMENT OF THE PRIME MINISTER AND CABINET

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the period ended 30 June 2024

Overview

Objectives of the Department of the Prime Minister and Cabinet

The Department of the Prime Minister and Cabinet (PM&C) is a not-for-profit Australian Government controlled entity for the purposes of preparing the financial statements. The objective of the department is to provide policy advice and support to the Prime Minister, the Cabinet, Portfolio Ministers and Assistant Ministers on matters that are at the forefront of public and government administration.

The department administers grants and supports the Prime Minister's office on behalf of the Government.

The address of the PM&C's registered office and principal place of business is as follows:

Andrew Fisher Building, 1 National Circuit, ACT BARTON 2600.

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

Basis of preparation of the financial statements

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

The financial statements have been prepared in accordance with:

- *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- Australian Accounting Standards and Interpretations – including simplified disclosures for Tier 2 Entities under AASB 1060 issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except where certain assets and liabilities are recorded at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars, and are rounded to the nearest thousand dollars unless otherwise specified.

Except where stated below, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

Taxation

The department is exempt from all forms of taxation except Fringe Benefits Tax and Goods and Services Tax.

New Australian accounting standards

No new accounting standard has been adopted earlier than the application date.

Other new standards, revised standards, interpretations and amending standards that were issued prior to the sign-off date and are applicable to the current reporting period did not have material financial impact, and are not expected to have a future material financial impact on the department's financial statements.

Events after the reporting period

On 28 July 2024 the NTAIC Corporation rules were amended by the Minister for Indigenous Australians, by legislative instrument under section 65JE(1) of the ALRA.

The Northern Territory Aboriginal Investment Corporation (NTAIC) will be known as Aboriginal Investment NT.

There are no other subsequent events occurring after 30 June 2024 that will have a material impact on the financial statements.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2024

1. Departmental financial performance

This section analyses the financial performance of the Department of the Prime Minister and Cabinet for the period ended 30 June 2024.

1.1. Expenses

	2024	2023
	\$'000	\$'000
Note 1.1A: Employee benefits		
Wages and salaries	147,939	122,887
Superannuation		
Defined contribution plans	18,536	15,684
Defined benefit plans	6,530	5,787
Leave and other entitlements	20,551	15,821
Separation and redundancies	114	268
Other	659	744
Total employee benefits	194,329	161,191

Accounting Policy

Accounting policies for employee related expenses is contained in the People section.

Note 1.1B: Suppliers

Goods and services

Consultants, legal and contractors	30,780	40,349
Secondees	10,483	8,659
Equipment, repairs and maintenance	611	759
General expenses	6,013	3,612
Recruitment	2,431	2,013
Venue hire	7,700	1,404
Advertising and market research	462	769
Training	4,635	4,856
Office accommodation and facility management	9,532	3,579
Security	5,698	1,341
Information, communication and technology	31,908	37,781
Travel	6,840	3,592
Audit fees	213	212
Total goods and services	117,306	108,926

Goods supplied	12,800	8,609
Services rendered	104,506	100,317
Total goods and services supplied and rendered	117,306	108,926

Other suppliers

Short-term leases	399	26
Workers compensation expenses	420	283
Total other supplier expenses	819	309
Total suppliers	118,125	109,235

The above lease disclosures should be read in conjunction with the accompanying notes 1.1D, 3.2 and 3.4.

Accounting Policy

Short-term leases and leases of low-value assets

PM&C has elected not to recognise right-of-use assets and lease liabilities over short-term leases where the lease term is 12 months or less or leases over low-value assets (less than \$10,000 per asset). PM&C recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2024

	2024	2023
	\$'000	\$'000
Note 1.1C: Grants		
Public sector		
Government entities (related parties)	-	545
Private sector		
Non-profit organisations	-	4
Total grants	<u>-</u>	<u>549</u>

Accounting Policy

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

Note 1.1D: Finance costs

Interest on lease liabilities	<u>1,181</u>	<u>1,286</u>
Total finance costs	<u>1,181</u>	<u>1,286</u>

The above lease disclosures should be read in conjunction with the accompanying notes 1.1B, 3.2 and 3.4.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2024

1.2. Own-source revenue

	2024	2023
	\$'000	\$'000
Own-source revenue		
Note 1.2A: Revenue from contracts with customers		
Revenue from contracts with customers	36,634	56,613
Total revenue from contracts with customers	36,634	56,613
Disaggregation of revenue from contracts with customers		
Delivery of services	34,512	55,112
Cost recovery	2,122	1,501
	36,634	56,613
Type of customer		
Government entities (related parties)	36,108	54,996
Non-government entities	526	1,617
	36,634	56,613
Timing of transfer of goods and services		
Over time	36,634	56,613
	36,634	56,613

Accounting Policy

Revenue from the sale of goods is recognised when control has been transferred to the buyer.

Revenue from agreements between PM&C and other related parties are recognised as per AASB 15 and revenue from appropriations and resources received free of charge are recognised as per AASB1058.

PM&C's principal activity in generating own source revenue is through the delivery of corporate services to the other Commonwealth agencies. Performance obligations are satisfied over time.

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

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

Note 1.2B: Resources received free of charge

Seconded staff	8,342	4,341
Remuneration of auditors	213	212
Total resources received free of charge	8,555	4,553

Accounting Policy

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

On the initial recognition of volunteer services as an asset or an expense, PM&C recognises any related amounts in accordance with the relevant standard.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2024

2. Income and expenses administered on behalf of Government

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

2.1. Administered – Expenses

	2024	2023
	\$'000	\$'000
<u>Note 2.1A: Employee benefits</u>		
Wages and salaries	1,705	1,673
Superannuation		
Defined contribution plans	184	166
Defined benefit plans	79	128
Leave and other entitlements	321	336
Separation and redundancies	-	105
Total employee benefits	2,289	2,408
<u>Note 2.1B: Suppliers</u>		
Goods and services		
Outsourced providers, contractors and consultants	321	636
Equipment, repairs and maintenance	750	808
Utilities	109	131
Commemorative occasions and gifts	303	188
Visitor functions and official residence	254	202
General expenses	490	179
Travel	2,768	3,316
Advertising and market research	554	28
Information, communication and technology	108	83
Total goods and services	5,657	5,571
Goods supplied	741	980
Services rendered	4,916	4,591
Total goods and services supplied and rendered	5,657	5,571
Other suppliers		
Workers compensation expenses	4	3
Total other supplier expenses	4	3
Total suppliers	5,661	5,574

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2024

	2024	2023
	\$'000	\$'000
<u>Note 2.1C: Grants</u>		
Public sector		
Australian Government entities	16,641	25,267
Private sector		
Non-profit organisations	15,873	17,430
Commercial entities	3,441	2,548
Total grants	35,955	45,245
Program 1.1 – Prime Minister and Cabinet	35,955	45,245
Total grants	35,955	45,245

Accounting Policy

PM&C administers a small number of grants on behalf of the Government. Grant expenses are recognised to the extent that (i) the services required to be performed by the grantee have been performed; or (ii) the grant eligibility criteria have been satisfied, but payments due have not been made.

Settlement is made according to the terms and conditions of each grant. This is usually within 30 days of performance or eligibility criteria being met.

<u>Note 2.1D: Finance costs</u>		
Service costs	4,881	480
Interest on lease liabilities	19	5
Total finance costs	4,900	485

The above lease disclosures should be read in conjunction with the accompanying accounting policy note 4.2 and note 4.4.

<u>Note 2.1E: Payments to corporate Commonwealth entities and companies</u>		
Aboriginal Hostels Limited	43,092	35,931
Australian Institute of Aboriginal and Torres Strait Islander Studies	22,575	21,866
Indigenous Business Australia	9,420	9,361
Indigenous Land and Sea Corporation	9,812	10,629
Torres Strait Regional Authority	37,247	36,486
Total payments to corporate Commonwealth entities and companies	122,146	114,273

Accounting Policy

Payments to corporate Commonwealth entities and companies from amounts appropriated for that purpose are classified as administered expenses, equity injections or loans of PM&C. The appropriation to PM&C is disclosed in section 5 Funding.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2024

2.2. Administered – Income

	2024	2023
	\$'000	\$'000
<u>Note 2.2A: Other revenue</u>		
Return of grant funding	1,110	1,340
Other	<u>30</u>	<u>2</u>
Total other revenue	<u>1,140</u>	<u>1,342</u>

Accounting Policy

All administered revenue relates to ordinary activities performed by PM&C on behalf of the Government. As such, administered appropriations are not revenues of the individual entity. PM&C oversees distribution or expenditure of the funds as directed.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2024

3. Departmental financial position

This section analyses the Department of the Prime Minister and Cabinet's assets used to generate financial performance and the operating liabilities incurred as a result. Employee related information is disclosed in the People section.

3.1. Financial assets

	2024	2023
	\$'000	\$'000
Note 3.1: Trade and other receivables		
Goods and services receivables		
Goods and services	7,287	4,282
Total goods and services receivables	<u>7,287</u>	<u>4,282</u>
Appropriation receivables		
Existing programs	68,281	60,514
Total appropriation receivables	<u>68,281</u>	<u>60,514</u>
Other receivables		
Statutory receivables	1,612	1,990
Total other receivables	<u>1,612</u>	<u>1,990</u>
Total trade and other receivables (gross)	<u>77,180</u>	<u>66,786</u>
Less expected credit loss allowance		
Goods and services	(145)	(323)
Total expected credit loss allowance	<u>(145)</u>	<u>(323)</u>
Total trade and other receivables (net)	<u>77,035</u>	<u>66,463</u>

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2024**

3.2. Non-financial assets

Note 3.2: Reconciliation of the opening and closing balances of property, plant and equipment and intangibles

	Buildings \$'000	Leasehold improvements \$'000	Plant and equipment \$'000	Computer software internally developed \$'000	Computer software purchased \$'000	Total \$'000
As at 1 July 2023						
Gross book value	-	-	-	35,406	559	35,965
Fair value	131,715	45,395	23,450	-	-	200,560
Work in progress	-	25	1,370	542	44	1,981
Accumulated depreciation/amortisation and impairment	(42,705)	(18,168)	(7,677)	(29,168)	(421)	(98,139)
Total as at 1 July 2023	89,010	27,252	17,143	6,780	182	140,367
Adjustment for rounding	-	(1)	1	1	1	2
Adjusted total as at 1 July 2023	89,010	27,251	17,144	6,781	183	140,369
Additions						
Purchase	-	-	3,135	8,899	88	12,122
Right-of-use assets	220	-	41	-	-	261
Revaluations and impairments recognised in other comprehensive income	-	1,459	825	-	-	2,284
Depreciation and amortisation	-	(3,212)	(5,129)	(1,939)	(25)	(10,305)
Depreciation on right-of-use assets	(9,996)	-	(13)	-	-	(10,009)
Other movements of right-of-use assets	-	-	(7)	-	(67)	(74)
Total as at 30 June 2024	79,234	25,488	15,996	13,741	179	134,648
Total as at 30 June 2024 represented by						
Gross book value	-	-	-	35,613	359	35,972
Fair value	131,935	43,652	23,080	-	-	198,667
Work in progress	-	-	970	8,647	132	9,749
Accumulated depreciation, amortisation and impairment	(52,701)	(18,154)	(8,054)	(30,519)	(312)	(109,740)
Total as at 30 June 2024	79,234	25,488	15,996	13,741	179	134,648
Carrying amount of right-of-use assets ¹	79,234	-	42	-	-	79,276

¹ Relates to asset closing balance for right-of-use assets as at 30 June 2024.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2024

Accounting Policy

Asset recognition threshold

Purchases of property, plant and equipment and intangibles are recognised initially at cost in the Statement of Financial Position, except for purchases costing less than \$5,000, which are expensed in the year of acquisition (other than ICT assets where they form part of a net worth of assets which are significant in total).

The initial cost of an asset includes (where relevant) an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to makegood provisions in property leases taken up by PM&C where there exists an obligation to restore the asset to its original condition. These costs are included in the value of PM&C's property, plant and equipment with a corresponding provision for the makegood recognition.

Property, plant and equipment are subsequently measured at fair value.

Leased right-of-use (ROU) assets

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

On initial adoption of AASB 16 PM&C adjusted the ROU assets at the date of initial application by the amount of any provision for onerous leases recognised immediately before the date of initial application. Following initial application, an impairment review is undertaken for any right-of-use lease asset that shows indicators of impairment and an impairment loss is recognised against any right-of-use lease asset that is impaired.

Revaluations

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

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/(deficit).

Fair values for each class of asset are determined as shown below:

Asset class	Fair value measurement
Buildings excluding leasehold improvements	Market selling price and depreciated replacement cost
Leasehold improvements	Depreciated replacement cost
Plant and equipment	Market selling price and depreciated replacement cost

Significant accounting judgements and estimates

In 2023-24, PM&C procured the services of independent valuation experts (Jones Lang LaSalle and Opteon) to perform a desktop valuation of departmental property, plant and equipment and leasehold improvements as at 30 June 2024.

The experts provided written assurance that the models developed to value assets are in compliance with accounting and valuation standards. The valuations also took into consideration that real estate markets and in particular certain niches in the market (unique properties such as those held by PM&C) are less volatile.

The valuation methodologies used (the market approach and the depreciated replacement cost method) have reflected current market conditions. PM&C will revalue its assets again in 2024-25.

PM&C tests its valuation model via internal management review at least once every 12 months. PM&C has a rolling revaluation plan in place which ensures assets are formally revalued at least once every three years. If a particular asset class experiences significant and volatile changes in fair value (i.e. where indicators suggest that the value of the class has changed materially since the previous reporting period), that class is subject to specific valuation in the reporting period, where practicable, regardless of the timing of the last specific valuation.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
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Accounting Policy (continued)

Assets that do not transact with enough frequency or transparency to develop objective opinions of value from observable market evidence are measured using the cost (depreciated replacement cost) approach. Professional judgement has been applied in calculating the consumed economic benefit or asset obsolescence relevant to the asset under construction.

All property, plant and equipment assets are valued on a recurring basis except for assets held for sale.

Upon revaluation, any accumulated depreciation is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Intangibles

PM&C's intangibles comprise internally developed and purchased software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Impairment

All assets were assessed for impairment during 2023-24.

Where indications of impairment exist, the recoverable amount is estimated and an impairment adjustment loss made if the recoverable amount is less than its carrying amount.

Depreciation and amortisation

Depreciable assets are written-down to estimated residual value over its estimated useful life using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of asset are based on the following total useful lives for the current and prior reporting periods:

Asset class	Useful lives
Buildings excluding leasehold improvements	3 to 50 years (2023: 3 to 50 years)
Leasehold improvements	Lease term (2023: Lease term)
Plant and equipment	1 to 25 years (2023: 1 to 25 years)
Intangibles	1 to 5 years (2023: 1 to 5 years)

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

De-recognition

An item of property, plant and equipment is de-recognised upon disposal or when no further future economic benefits to the department from its use or disposal.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
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3.3. Payables

	2024	2023
	\$'000	\$'000
Note 3.3A: Suppliers		
Trade creditors and accruals	<u>10,607</u>	<u>11,118</u>
Total suppliers	<u>10,607</u>	<u>11,118</u>

Settlement usually made within 20 days.

Note 3.3B: Other payables		
Salaries, wages and superannuation	4,723	4,141
Unearned income	809	574
Other ¹	<u>4,526</u>	<u>5,022</u>
Total other payables	<u>10,058</u>	<u>9,737</u>

¹ Other category consists of paid parental leave, employee leave transfer clearing account, fringe benefit accrual and staff creditors.

Accounting Policy

Other financial liability include trade creditors and accruals and are recognised at amortised costs. Liabilities are recognised to the extent that the goods and services have been received (and irrespective of having been invoiced).

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
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3.4. Interest bearing liabilities

	2024	2023
	\$'000	\$'000
Note 3.4: Leases		
Lease liabilities		
Buildings	88,586	97,479
Plant and equipment	43	15
Total lease liabilities	88,629	97,494

Total cash outflows for leases for the year ended 30 June 2024 was \$10.706 million (2023: \$9.799 million).

Maturity analysis – contractual undiscounted cash flows

Less than 12 months	9,807	10,082
Between one to five years	41,260	40,290
More than five years	42,746	53,487
Total leases	93,813	103,859

PM&C in its capacity as a lessee has a total of seven significant departmental leases split into three property leases and four motor vehicle leases. The details of the three property leases are as follows.

- 1) One National Circuit, Barton, ACT – The lease has a remaining term of 8.64 years. There are no options to extend this lease and the lease expiry date is 16 February 2033.
- 2) Level 2, 10 National Circuit, Barton, ACT – The lease has a remaining term of 0.08 years. There is an option to extend this lease by two years at the lease expiry date of 31 July 2024.
- 3) Level 1, 10 National Circuit, Barton, ACT – The lease has a remaining term of 2.08 years. It contains two options to extend, each for an additional two year period at the lease expiry date of 31 July 2026.

The above lease disclosures should be read in conjunction with the accompanying notes 1.1B, 1.1D and 3.2.

Accounting Policy

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

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

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

3.5. Make good provision

	Make good provision	Total
	\$'000	\$'000
As at 1 July 2023	293	293
Additional provisions made ¹	220	220
Amount used	-	-
Total as at 30 June 2024	513	513

¹ Make good provision made due to increased labour cost and building materials as at 30 June 2024, with indexation and discounted by the Australian Spot Bond Rate provided by Jones Lang LaSalle valuers.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
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4. Assets and liabilities administered on behalf of Government

This section analyses assets used to generate financial performance and the operating liabilities incurred as a result which the Department of the Prime Minister and Cabinet does not control, but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

4.1. Administered – Financial assets

	2024	2023
	\$'000	\$'000
<u>Note 4.1: Investments in corporate Commonwealth entities and companies</u>		
Equity interest in		
Aboriginal Hostels Limited	169,267	154,991
Anindilyakwa Land Council	18,595	15,854
Australian Institute of Aboriginal and Torres Strait Islander Studies	51,289	51,010
Central Land Council	96,164	88,050
Indigenous Land and Sea Corporation	371,404	408,712
Indigenous Business Australia	2,178,160	2,062,802
National Australia Day Council Limited	1,509	1,439
Northern Land Council	56,786	39,310
Outback Stores Pty Ltd	43,039	40,161
Tiwi Land Council	12,434	14,101
Torres Strait Regional Authority	128,983	118,280
Wreck Bay Aboriginal Community Council	75,698	67,285
Northern Territory Aboriginal Investment Corporation	679,841	675,448
Total investments in corporate Commonwealth entities and companies	3,883,169	3,737,443

All investments in corporate Commonwealth entities and companies are expected to be recovered in more than 12 months.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
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for the period ended 30 June 2024

Investment in corporate Commonwealth entities and companies

The Australian Government holds a 100% equity interest in the following administered investments.

Aboriginal Hostels Limited

Provides temporary accommodation to Aboriginal and Torres Strait Islander people through a national network of accommodation facilities.

Australian Institute of Aboriginal and Torres Strait Islander Studies

The Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS) is a world renowned research, collections and publishing organisation and occupies a unique place at the nexus between the academic and cultural sectors, government, Indigenous communities, and the broader Australian public.

Land Councils

The Land Councils include:

- Anindilyakwa Land Council
- Central Land Council
- Northern Land Council
- Tiwi Land Council; and
- Wreck Bay Aboriginal Community Council

The Land Councils represent the Aboriginal people living in the area of the Land Council in the management of Aboriginal land in the area, and in relation to legislation concerning that land. The Land Councils also consult and protect the interests of traditional owners and take measures to assist in the protection of sacred sites in the area of the Land Council. Wreck Bay Aboriginal Community Council holds title to land and provides services to the Aboriginal community of Jervis Bay.

Indigenous Land and Sea Corporation

The Indigenous Land and Sea Corporation provides economic, environmental, social and cultural benefits for Aboriginal persons and Torres Strait Islanders by assisting in the acquisition and management of land and water related rights.

Indigenous Business Australia

Indigenous Business Australia assists and enhances Aboriginal and Torres Strait Islander self-management and economic self-sufficiency, and aims to advance the commercial and economic interests of Aboriginal and Torres Strait Islander people by accumulating and using a substantial capital base for their benefit.

National Australia Day Council Limited

The National Australia Day Council promotes national pride, active citizenship and the observance and celebration of Australia Day; administration of the Australian of the Year awards, which includes awards for the Young Australian of the Year, the Senior Australian of the Year and Australia's Local Hero; distribution of grants to state and territory Australia Day Councils; and provision of recommendations and advice to the Australian Government on all matters relating to year-round national pride activities.

Outback Stores Pty Ltd

Outback Stores Pty Ltd improves access to affordable, healthy food for Indigenous communities, particularly in remote areas, through providing food supply and store management and support services.

Torres Strait Regional Authority

The Torres Strait Regional Authority formulates, implements and monitors the effectiveness of programs for Aboriginal and Torres Strait Islander people living in the Torres Strait and Northern Peninsula Area.

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Investment in Commonwealth entities (continued)

Northern Territory Aboriginal Investment Corporation

Northern Territory Aboriginal Investment Corporation assist cultural maintenance and social well-being, economic self-sufficiency and self-management for the betterment of Aboriginal people living in the Northern Territory through investments, commercial enterprise, beneficial payments and other financial assistance.

Accounting Policy

Administered investments in subsidiaries are not consolidated because their consolidation is relevant only at the whole-of-government level.

Administered investments are classified through other comprehensive income and are measured at fair value as at 30 June 2024. Fair value has been taken to be the Government's proportional interest in the net assets as advised by the entities as at the end of the reporting period, recorded in the latest management accounts or unaudited financial statements provided.

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
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for the period ended 30 June 2024**

4.2. Administered – Non-financial assets

Note 4.2: Reconciliation of the opening and closing balances of plant and equipment

	Land \$'000	Buildings \$'000	Leasehold improvements \$'000	Plant and equipment \$'000	Total \$'000
As at 1 July 2023					
Fair value	52,090	7,870	415	1,406	61,781
Work in progress	-	1,060	-	177	1,237
Accumulated depreciation and impairment	-	(1,444)	(148)	(858)	(2,450)
Total as at 1 July 2023	52,090	7,486	267	725	60,568
Adjustment for rounding	-	-	-	1	1
Adjusted total as at 1 July 2023	52,090	7,486	267	726	60,569
Additions					
Purchases	-	1,608	314	354	2,276
Right-of-use assets	-	434	-	9	443
Revaluations recognised in other comprehensive income	480	206	312	13	1,011
Depreciation expense	-	(51)	(206)	(162)	(419)
Depreciation on right-of-use assets	-	(445)	-	(30)	(475)
Other movements of right-of-use assets	-	(165)	-	-	(165)
Total as at 30 June 2024	52,570	9,073	687	910	63,240
Total as at 30 June 2024 represented by					
Fair value	52,570	8,752	521	1,393	63,236
Work in progress	-	1,756	314	309	2,379
Accumulated depreciation and impairment	-	(1,435)	(148)	(792)	(2,375)
Total as at 30 June 2024	52,570	9,073	687	910	63,240
Carrying amount of right-of-use assets ¹	-	301	-	22	323

¹ Relates to asset closing balance for right-of-use assets as at 30 June 2024.

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
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Accounting Policy

Revaluation

In 2023-24, PM&C procured the services of independent valuation experts (Jones Lang LaSalle and Opteon) to perform a desktop valuation of administered land, buildings and property, plant and equipment and leasehold improvements assets as at 30 June 2024.

The experts provided written assurance that the models developed to value assets are in compliance with accounting and valuation standards. The valuations also took into consideration that real estate markets and in particular certain niches in the market (unique properties such as those held by PM&C) are less volatile.

The valuation methodologies used (the market approach and the depreciated replacement cost method) have reflected current market conditions.

Depreciation

Depreciation rates applying to each class of depreciable asset are based on the following useful lives for the current and prior reporting periods.

Asset class	Useful lives
Buildings excluding leasehold improvements	22 to 30 years (2023: 22 to 30 years)
Leasehold improvements	Lease term (2023: Lease term)
Plant and equipment	5 to 114 years (2023: 5 to 114 years)

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4.3. Administered – Interest bearing liabilities

	2024	2023
	\$'000	\$'000
Note 4.3: Leases		
Lease liabilities		
Buildings	311	493
Plant and equipment	22	43
Total finance leases	333	536
Maturity analysis - contractual undiscounted cash flows		
Less than 12 months	180	378
Between one to five years	165	184
Total leases	345	562

Total cash outflows for leases for the year ended 30 June 2024 was \$0.427 million (2023: \$0.365 million).

PM&C in its capacity as a lessee has a total of two properties leases and three motor vehicle leases. The details of the two property leases are as follows.

- 1) Ground floor, 15 Murray Crescent Griffith ACT –The lease has a remaining term of 0.17 years with the expiry date of 31 August 2024. One year extension option has not been exercised.
- 2) Level 21 (part), 101 Collins Street Melbourne VIC – New contract executed on 31 August 2023. The lease has a remaining term of 2 years with the expiry date of 30 June 2026. There is an early termination option.

The above lease disclosures should be read in conjunction with the accompanying notes 2.1D and 4.2.

4.4. Administered – Make good provision

	Make good provision	Total
	\$'000	\$'000
As at 1 July 2023	385	385
Amounts used ¹	(109)	(109)
Additional provision made ²	19	19
Total as at 30 June 2024	295	295

¹ Make good used for Waterfront Place Brisbane and 2 George Street Brisbane as lease expired in January and March 2024 respectively.

² Make good provision made due to increased labour cost and building materials as at 30 June 2024, with indexation applied and discounted by the Australian Spot Bond Rate provided by Jones Lang LaSalle valuers.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
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5. Funding

This section identifies the Department of the Prime Minister and Cabinet funding structure.

5.1. Appropriations

Note 5.1A: Departmental annual and unspent appropriations ('recoverable GST exclusive')

	2024	2023
	\$'000	\$'000
Ordinary annual services		
Annual Appropriation		
Operating ¹	303,944	252,861
Capital budget	11,490	13,075
Section 74 receipts	64,542	68,613
Section 75 transfers (current year)	(1,353) ²	(22,372) ³
Section 75 transfers (prior year)	(8,020) ²	(8,714) ³
Total available appropriation	370,603	303,463
Appropriation applied (current and prior years)	(347,086)	(292,057)
Variance	23,517	11,406
Opening unspent appropriation balance	67,640	107,085
Repeal of <i>Appropriation Acts 2019-20</i>	-	(50,851)
Closing unspent appropriation balance	91,157	67,640
Balance comprises appropriations as follows:		
<i>Appropriation Act (No. 3) 2021-22</i> ⁴	5,193	5,193
<i>Appropriation Act (No. 1) 2022-23</i>	12,188 ⁵	50,763
<i>Appropriation Act (No. 1) 2022-23 – Capital Budget (DCB) – Non Operating</i>	-	6,417
<i>Supply Act (No. 1) 2021-22 – Capital Budget (DCB) – Non Operating</i>	-	1,375
<i>Supply Act (No. 3) 2021-22 – Capital Budget (DCB) – Non Operating</i>	-	1,958
<i>Appropriation Act (No. 1) 2022-23 cash held by the department</i> ⁷	-	1,934
<i>Appropriation Act (No. 1) 2023-24</i> ⁶	51,483	-
<i>Appropriation Act (No. 1) 2023-24 – Capital Budget (DCB) – Non Operating</i>	9,034	-
<i>Appropriation Act (No. 3) 2023-24</i>	11,231	-
<i>Appropriation Act (No. 5) 2023-24</i>	356	-
<i>Appropriation Act (No. 1) 2023-24 cash held by the department</i> ⁷	1,672	-
Total unspent appropriation - ordinary annual services	91,157	67,640

¹ Revenue from Government reported in the Statement of Comprehensive Income is \$292.100 million less than appropriated. The difference relates to reduction in *Appropriation Act (No. 1) 2023-2024* of \$8.020 million (Section 75 – refer footnote 2) and \$3.823 million (Section 51 – refer footnote 6).

² On 23 May 2023, the Prime Minister wrote to the Minister of the Public Service advising the transfer of responsibility for the Australian Public Sector Reform Office to the Australian Public Service Commission. Refer to Note 8.2 Restructuring.

³ On 23 June 2022, the Governor-General signed the Administrative Arrangement Order (AAO), which took effect from 1 July 2022. There were several restructures that impacted the department. Refer to Note 8.2 Restructuring.

⁴ Appropriations withheld under section 51 of the PGPA Act against *Appropriation Act (No. 3) 2021-2022* (\$5.193 million) which relates to the 2022-23 restructure with the Attorney General's Department.

⁵ Appropriations withheld under section 51 of the PGPA Act (\$12.188 million) against *Appropriation Act (No. 3) 2022-2023* relates to the 2023 QUAD Leader's Summit.

⁶ The annual appropriations is shown inclusive of appropriations withheld under section 51 of the PGPA Act against *Appropriation Act (No. 1) 2023-2024* (\$3.823 million) which relates to reclassification to administered funding.

⁷ Cash held by the department. Refer to 'Cash and cash equivalents'.

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Note 5.1B: Administered annual and unspent appropriations ('recoverable GST exclusive')		
	2024	2023
	\$'000	\$'000
Ordinary annual services		
Annual Appropriation		
Operating	55,881	56,550
Capital budget	1,749	1,674
Payments to corporate Commonwealth entities/companies	122,146	114,273
Section 75 transfers (current year) ¹	-	(2,282)
Total available appropriation	179,776	170,215
Appropriation applied (current and prior years)	(169,495)	(170,315)
Variance	10,281	(100)
Opening unspent appropriation balance	16,187	19,411
Repeal of <i>Annual Appropriation Acts 2019-20</i>	-	(3,124)
Repeal of <i>Annual Appropriation Acts 2020-21</i>	(5,491)	-
Closing unspent appropriation balance	20,977	16,187
Balance comprises appropriations as follows:		
<i>Appropriation Act (No. 1) 2020-21</i>	-	88
<i>Appropriation Act (No. 3) 2020-21</i>	-	5,151
<i>Supply Act (No. 1) 2020-21– Capital Budget (DCB) – Non Operating</i>	-	252
<i>Appropriation Act (No. 1) 2021-22</i>	3,297	3,297
<i>Appropriation Act (No. 1) 2021-22 – Capital Budget (DCB) – Non Operating</i>	-	1,346
<i>Appropriation Act (No. 3) 2021-22</i>	4,354	4,354
<i>Supply Act (No. 1) 2022-23– Capital Budget (DCB) – Non Operating</i>	-	698
<i>Supply Act (No. 3) 2022-23– Capital Budget (DCB) – Non Operating</i>	742	976
<i>Appropriation Act (No. 1) 2022-23</i>	25	25
<i>Appropriation Act (No. 1) 2023-24</i> ²	7,509	-
<i>Appropriation Act (No. 1) 2023-24 – Capital Budget (DCB) – Non Operating</i>	1,749	-
<i>Appropriation Act (No. 3) 2023-24</i>	2,362	-
<i>Appropriation Act (No. 5) 2023-24</i>	939	-
Total unspent appropriation - ordinary annual services	20,977	16,187
Other services		
Annual Appropriation		
Payments to corporate Commonwealth entities/companies	26,192	41,674
Total available appropriation	26,192	41,674
Appropriation applied (current and prior years)	(26,192)	(41,674)
Variance	-	-
Total unspent appropriation	20,977	16,187

¹ On 23 June 2022, the Governor-General signed the Administrative Arrangement Order (AAO), which took effect from 1 July 2022. There were several restructures that impacted the department. Refer to Note 8.2 Restructuring.

² The annual appropriations is shown inclusive of appropriations withheld under section 51 of the PGPA Act against *Appropriation Act (No.1) 2023-24* (\$0.860 million) which relates to re-profiling of administered grants.

Accounting Policy

Revenue from Government – departmental

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as revenue from Government when PM&C gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

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for the period ended 30 June 2024**

5.2. Special Accounts

For the year ended 30 June 2024 and 30 June 2023, the Services for Other Entities and Trust Moneys ¹ account had a nil balance and there were no transactions debited or credited during either year.

¹ *Appropriation: Public Governance, Performance and Accountability Act 2013; section 78*

Establishing Instrument: PGPA Act Determination (SOETM Special Account 2018).

Purpose: This account was created to disburse amounts held on trust or otherwise for the benefit of a person other than the Commonwealth.

This account is non-interest bearing.

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6. People

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

6.1. Employee provisions

	2024	2023
	\$'000	\$'000
Note 6.1A: Employee provisions		
Annual leave	21,544	19,857
Long service leave	<u>31,829</u>	<u>25,621</u>
Total employee provisions	<u>53,373</u>	<u>45,478</u>

Accounting policy and significant accounting judgements

Employee benefits

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

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of PM&C is estimated to be less than the annual entitlement for sick leave.

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

The liability for long service leave has been determined by reference to the work of an actuary. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Separation and redundancy

A liability is made for separation and redundancy benefit payments. PM&C recognises a liability for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. Once an employee accepts a redundancy and is terminated by the COO (delegate) under section 29 of the *Public Service Act 1999* on the grounds that they are excess to requirements, the employee is entitled to two weeks salary for each completed year of continuous service, plus pro-rata payment for completed months of service since the last completed year of service. The minimum amount payable is four weeks and the maximum is 48 weeks salary.

Superannuation

PM&C staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) or another fund of their choice.

The CSS and PSS are defined benefit schemes for the Commonwealth. The PSSap is a defined contribution scheme.

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

PM&C makes employer contributions to the employees' superannuation scheme. For Commonwealth defined benefits schemes, these rates are determined by an actuary to be sufficient to meet the current cost to the Government. PM&C accounts for the contributions as if they were contributions to defined contribution plans.

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	2024	2023
	\$'000	\$'000
Note 6.1B: Administered employee provisions		
Annual leave	360	259
Long service leave	390	439
Total employee provisions	750	698

Accounting Policy

The expense and liabilities for services rendered by staff employed in the Prime Minister's Official Establishments and in support of former Governors-General are recognised as administered items.

Note 6.1C: Non-cash benefits – former Governors-General benefits

Non-cash benefits – former Governors-General	19,256	13,946
Total non-cash benefits – former Governors-General benefits	19,256	13,946

Changes in the value of the defined benefit obligations are as follows:

Net liability at 1 July 2023	13,946	13,400
Current service cost	4,334	-
Finance costs	561	480
Actuarial losses	1,787	1,312
Benefits paid	(1,372)	(1,246)
Net liability at 30 June 2024	19,256	13,946

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Discount rate at 30 June 2024	4.34%	4.02%
Future salary increases	3.70%	3.70%
Inflation rate	2.50%	2.50%
Rate of expenditure slow down over time	2.00%	2.00%

Accounting Policy

Former Governors-General benefits

PM&C has responsibility for the administration of non-cash benefits provided to former Governors-General. These entitlements are regarded as post-employment benefits and represent the provision of office facilities, administrative support and transport.

The liability for these benefits is calculated annually as the present value of future benefit obligations. Actuarial gains or losses are recognised in equity in the year in which they occur. Interest on the liability is recognised in the surplus / (deficit).

Significant accounting judgements and estimates

The provision for non-cash former Governors-General entitlements relate to post-employment benefits such as office facilities, administrative support and transport. The future liability for these benefits is based on the actuarial assessment determined by the Australian Government Actuary, which is performed annually.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2024

6.2. Key management personnel remuneration

	2024	2023
	\$'000	\$'000
Short-term employee benefits	4,249	4,412
Post-employment benefits	518	598
Other long-term employee benefits	100	105
Total key management personnel remuneration expenses ¹	4,867	5,115

Key management personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the department. The department have determined the KMP to be members of the Executive Board (the Secretary, Deputy Secretaries and Executive Director, Office for Women), the Deputy for the APS Reform Office and the Deputy Secretaries leading significant taskforces.

The total number of KMP included in the above table is 16 (2023: 16).

Key management personnel on acting arrangements are included where the length of the arrangement is longer than two months.

The department had a movement in Deputy Secretaries throughout the year in acting arrangements including the establishment of Net Zero Economy Agency and the transfer of the APS Reform Office to Australian Public Service Commission effective 23 November 2023.

The number of KMP roles is eight (2023: nine)

¹ Excludes remuneration and other benefits of the Portfolio Ministers as these are set by the Remuneration Tribunal and are not paid by PM&C.

6.3. Related party disclosures

PM&C is an Australian Government controlled entity. Related parties to PM&C are key management personnel including the Portfolio Ministers, and Cabinet Ministers.

Significant transactions with related parties can include:

- the payments of grants or loans
- purchases of goods and services
- asset purchases, sales transfers or leases
- debts forgiven, and
- guarantees.

Transactions with related parties

No transactions with related parties were identified during the 2023-24 financial year.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2024

7. Managing uncertainties

This section analyses how the Department of the Prime Minister and Cabinet manages financial risks within its operating environment.

7.1. Contingent assets and liabilities

Note 7.1A: Contingent assets and liabilities

Quantifiable contingencies

The department holds no legal quantifiable contingent assets or liabilities as at 30 June 2024 (2023: nil).

Unquantifiable contingencies

As at 30 June 2024, there are three open legal matters relating to a range of legal issues with varying probabilities of success (2023: two). It is not possible to estimate the amounts and any eventual receipts or payments that may be received or made in relation to these claims.

Accounting Policy

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset, or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when the probability of settlement is greater than remote.

Note 7.1B: Administered contingent assets and liabilities

PM&C is not aware of any material administered quantifiable or unquantifiable contingent assets or liabilities as at 30 June 2024.

7.2. Financial instruments

	2024	2023
	\$'000	\$'000
Note 7.2A: Categories of financial instruments		
Financial assets at amortised cost		
Cash and cash equivalents	1,672	1,934
Goods and services receivables (net)	2,929	1,521
Accrued revenue	5,763	5,682
Total financial assets at amortised cost	10,364	9,137
Total financial assets	10,364	9,137
Financial liabilities		
Financial liabilities measured at amortised cost		
Trade creditors and accruals	10,607	11,118
Total financial liabilities measured at amortised cost	10,607	11,118
Total financial liabilities	10,607	11,118

Note 7.2B: Net gains or losses on financial assets

Financial assets at amortised cost		
Impairment	(145)	(323)
Reversal of impairment	(178)	-
Net (loss) / gain on financial assets at amortised cost	(323)	(323)

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2024

Accounting Policy

Impairment of financial assets

Financial assets are assessed for impairment at the end of each reporting period based on expected credit losses. Using the general approach, the loss allowance is based on an amount equal to lifetime expected credit losses where risk has significantly increased, or an amount equal to 12-month expected credit losses if risk has not increased. The simplified approach for trade and contract receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

Financial liabilities

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

Financial liabilities are recognised and derecognised upon trade date.

Settlement of supplier payables is usually made within 30 days.

The relevant government bond rate has been used to discount non-current liabilities.

7.3. Administered – Financial instruments

	2024 \$'000	2023 \$'000
<u>Note 7.3A: Categories of financial instruments</u>		
Financial assets at amortised cost		
Goods and services receivable (net)	2	-
Total financial assets at amortised cost	<u>2</u>	<u>-</u>
Financial assets at fair value through other comprehensive income		
Investments in corporate Commonwealth entities	3,883,169	3,737,443
Total financial assets at fair value through other comprehensive income	<u>3,883,169</u>	<u>3,737,443</u>
Total financial assets	<u>3,883,171</u>	<u>3,737,443</u>
Financial liabilities		
Financial liabilities measured at amortised cost		
Trade creditors and accruals	1,455	611
Total financial liabilities measured at amortised cost	<u>1,455</u>	<u>611</u>
Total financial liabilities	<u>1,455</u>	<u>611</u>
<u>Note 7.3B: Net gains or losses on financial instruments</u>		
Investment in equity instruments at fair value through other comprehensive income		
Changes in investments in corporate Commonwealth entities	119,534	608,272
Net gain on investments in equity instruments at fair value through other comprehensive income	<u>119,534</u>	<u>608,272</u>

DEPARTMENT OF THE PRIME MINISTER AND CABINET
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the period ended 30 June 2024

8. Other information

8.1. Current/non-current distinction for assets and liabilities

	2024	2023
	\$'000	\$'000
Note 8.1A: Current/non-current distinction for assets and liabilities		
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	1,672	1,934
Trade and other receivables	77,035	66,463
Prepayments	5,674	5,695
Accrued revenue	5,763	5,682
Total no more than 12 months	90,144	79,774
More than 12 months		
Leasehold improvements	25,498	27,252
Buildings	79,234	89,010
Plant and equipment	15,996	17,143
Intangibles	13,920	6,962
Prepayments	673	1,234
Total more than 12 months	135,321	141,601
Total assets	225,465	221,375
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	10,607	11,118
Other payables	10,058	9,737
Leases	8,735	8,902
Employee leave	15,384	13,808
Total no more than 12 months	44,784	43,565
More than 12 months		
Leases	79,894	88,592
Employee leave	37,989	31,670
Make good provision	513	293
Total more than 12 months	118,396	120,555
Total liabilities	163,180	164,120

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2024

	2024	2023
	\$'000	\$'000
<u>Note 8.1B: Administered – Current/non-current distinction for assets and liabilities</u>		
Assets expected to be recovered in:		
No more than 12 months		
Cash	-	-
Trade and other receivables	175	309
Prepayments	59	49
Total no more than 12 months	234	358
More than 12 months		
Property, plant and equipment	63,240	60,568
Investments in corporate Commonwealth entities	3,883,169	3,737,443
Total more than 12 months	3,946,409	3,798,011
Total assets	3,946,643	3,798,369
Liabilities expected to be settled in:		
No more than 12 months		
Trade creditors and accruals	1,455	611
Other payables	98	75
Leases	171	357
Make good provisions	68	-
Employee provisions	246	191
Total no more than 12 months	2,038	1,234
More than 12 months		
Leases	162	179
Employee provisions	504	507
Non-cash benefits – former Governors-General	19,256	13,946
Make good provisions	227	385
Total more than 12 months	20,149	15,017
Total liabilities	22,187	16,251

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2024**

8.2. Restructuring

On 23 May 2023, the Prime Minister wrote to the Minister of the Public Service advising the transfer of responsibility for the Australian Public Sector Reform Office to the Australian Public Service Commission. This took effect from 23 November 2023.

	FUNCTION RELINQUISHED				
	2024	2023			
	Australian Public Service Commission ¹	Attorney General's Department ²	Department of Industry, Science, and Resources ³	Department of Finance ⁴	Old Parliament House
	\$'000	\$'000	\$'000	\$'000	\$'000
FUNCTION RELINQUISHED					
Assets relinquished	1,353	1,352	1,668	3,098	-
Appropriation receivable	-	-	-	2,595	-
Appropriation receivable - DCB	-	-	-	4,266	-
Intangibles	-	-	-	-	-
Investment in corporate Commonwealth entities	-	-	-	-	117,158
Total assets relinquished	1,353	1,352	1,668	9,959	117,158
Liabilities relinquished					
Employee provisions	1,353	1,216	1,668	3,098	-
Supplier payables	-	136	-	-	-
Total liabilities relinquished	1,353	1,352	1,668	3,098	-
Net assets relinquished	-	-	-	6,861	117,158

DEPARTMENT OF THE PRIME MINISTER AND CABINET NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the period ended 30 June 2024

¹ Responsibility for the Australian Public Sector Reform Office was relinquished to Australian Public Service Commission (APSC). A total *Appropriation Act (No. 1) 2023-24* of \$8.020 million was transferred to APSC via section 75 transfer. This is separately disclosed in Note 5.1 Appropriations.

² Responsibility for the National Office of Child Safety and Open Government Partnership was relinquished to the Attorney-General's Department following the amendments to the Administrative Arrangement Order made on 23 June 2022. The effective date was 1 July 2022.

³ Responsibility for the Office of Supply Chain Resilience, Digital Technologies Taskforce and Critical Technologies Policy Coordination Office was relinquished to the Department of Industry, Science and Resources following the amendments to the Administrative Arrangement Order made on the 23 June 2022. The effective date was 1 July 2022.

⁴ Responsibility for the whole-of-government deregulation policy coordination and Data and Digital policy including the Digital Transformation Agency and the Office of National Data Commissioner was relinquished to the Department of Finance (DoF) following the amendments to the Administrative Arrangement Order made on the 23 June 2023. The effective date was 1 July 2022.

⁵ The Museum of Australian Democracy (Old Parliament House) was relinquished from PM&C portfolio to the Infrastructure, Transport, Regional Development, Communications and the Arts portfolio following the amendments to the Administrative Arrangement Order made on the 23 June 2022. The effective date was 1 July 2022.

Part 5: Appendixes



Appendix 1: Correction of material errors

The following errors were identified in the PM&C Annual Report 2022–23.

Prime ministerial overseas visits

The case study on page 40 stated PM&C supported a total of 5 prime ministerial overseas visits. This should have read 10 prime ministerial overseas visits.

Appendix 2: Aids to access

Acronyms and abbreviations

AGC	Australian Government Consulting
APEC	Asia-Pacific Economic Cooperation
APS	Australian Public Service
APSC	Australian Public Service Commission
ASEAN	Association of Southeast Asian Nations
CALD	Culturally and linguistically diverse
COO	Chief Operating Officer
CPRs	Commonwealth Procurement Rules
CROMP	Climate Risk and Opportunity Management Program
EL	Executive Level
G7	Group of Seven
G20	Group of Twenty
GST	Goods and services tax
KMP	Key Management Personnel
MP	Member of Parliament
NABERS	National Australian Built Environment Rating System
NAIDOC	National Aborigines and Islanders Day Observance Committee
NLC	Northern Land Council
NZEA	Net Zero Economy Agency
PBS	Portfolio Budget Statements
PDMS	Parliamentary Document Management System
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PGPA Rule	Public Governance, Performance and Accountability Rule 2014
PM&C	Department of the Prime Minister and Cabinet
PWSS	Parliamentary Workplace Support Service
RAP	Reconciliation Action Plan 2021–2023
SES	Senior Executive Service
SMEs	Small and medium enterprises
WCI	Wage Cost Index

Glossary of terms

Agency – A Department of State, Department of Parliament or prescribed agency under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

APS enterprise – The Australian Public Service as a single entity, running as a single enterprise.

AUKUS – A trilateral security partnership between Australia, the United Kingdom and the United States.

Budget – The announced fiscal and economic outlook for Australia for a financial year. It includes expenditure and revenue estimates for the current financial year, the Budget year and the 3 forward financial years.

Closing the Gap – A commitment by all Australian governments to improving the lives of Aboriginal and Torres Strait Islander people. A national integrated Closing the Gap strategy has been agreed by the Commonwealth, state and territory governments.

Enterprise Agreement – An agreement about the terms and conditions of employment, made under the *Fair Work Act 2009*.

National Cabinet – The peak forum, established on 13 March 2020, for the Prime Minister, premiers and chief ministers to meet and work collaboratively. It is chaired by the Prime Minister.

Portfolio Budget Statements (PBS) – Statements that explain where appropriated funds are to be spent for a portfolio.

Quad – A diplomatic partnership comprising Australia, India, Japan and the United States.

Secretaries Board – The APS's principal service-wide governance body. It comprises each departmental Secretary, the Australian Public Service Commissioner and the Director-General, National Intelligence.

Appendix 3: List of requirements

PGPA Rule Reference	Page	Description	Requirement
17AD(g)	Letter of transmittal		
17AI	iv	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory
17AD(h)	Aids to access		
17AJ(a)	1	Table of contents (print only).	Mandatory
17AJ(b)	184	Alphabetical index (print only).	Mandatory
17AJ(c)	172	Glossary of abbreviations and acronyms.	Mandatory
17AJ(d)	174	List of requirements.	Mandatory
17AJ(e)	ii	Details of contact officer.	Mandatory
17AJ(f)	ii	Entity's website address.	Mandatory
17AJ(g)	ii	Electronic address of report.	Mandatory
17AD(a)	Review by accountable authority		
17AD(a)	2	A review by the accountable authority of the entity.	Mandatory
17AD(b)	Overview of the entity		
17AE(1)(a)(i)	10	A description of the role and functions of the entity.	Mandatory
17AE(1)(a)(ii)	12	A description of the organisational structure of the entity.	Mandatory

PGPA Rule Reference	Page	Description	Requirement
17AE(1)(a)(iii)	21	A description of the outcomes and programmes administered by the entity.	Mandatory
17AE(1)(a)(iv)	21	A description of the purposes of the entity as included in corporate plan.	Mandatory
17AE(1)(aa)(i)	11	Name of the accountable authority or each member of the accountable authority	Mandatory
17AE(1)(aa)(ii)	11	Position title of the accountable authority or each member of the accountable authority	Mandatory
17AE(1)(aa)(iii)	11	Period as the accountable authority or member of the accountable authority within the reporting period.	Mandatory
17AE(1)(b)	8	An outline of the structure of the portfolio of the entity.	Portfolio departments mandatory
17AE(2)	N/A	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory
17AD(c)	Report on the Performance of the entity		
	<i>Annual Performance Statement</i>		
17AD(c)(i); 16F	23	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory
17AD(c)(ii)	<i>Report on Financial Performance</i>		
17AF(1)(a)	109	A discussion and analysis of the entity's financial performance.	Mandatory

PGPA Rule Reference	Page	Description	Requirement
17AF(1)(b)	110	A table summarising the total resources and total payments of the entity.	Mandatory
17AF(2)	N/A	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory
17AD(d)	Management and Accountability		
	Corporate Governance		
17AG(2)(a)	68	Information on compliance with section 10 (fraud systems)	Mandatory
17AG(2)(b)(i)	iv	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory
17AG(2)(b)(ii)	iv	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory
17AG(2)(b)(iii)	iv	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory
17AG(2)(c)	61	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory

PGPA Rule Reference	Page	Description	Requirement
17AG(2)(d) – (e)	N/A	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with Finance law and action taken to remedy non-compliance.	If applicable, Mandatory
<i>Audit Committee</i>			
17AG(2A)(a)	63	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory
17AG(2A)(b)	64	The name of each member of the entity's audit committee.	Mandatory
17AG(2A)(c)	64	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory
17AG(2A)(d)	64	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory
17AG(2A)(e)	64	The remuneration of each member of the entity's audit committee.	Mandatory
<i>External Scrutiny</i>			
17AG(3)	69	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory
17AG(3)(a)	70	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, Mandatory
17AG(3)(b)	69	Information on any reports on operations of the entity by the Auditor General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, Mandatory

PGPA Rule Reference	Page	Description	Requirement
17AG(3)(c)	N/A	Information on any capability reviews on the entity that were released during the period.	If applicable, Mandatory
Management of Human Resources			
17AG(4)(a)	71	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory
17AG(4)(aa)	72	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: (a) statistics on full time employees; (b) statistics on part time employees; (c) statistics on gender; (d) statistics on staff location.	Mandatory
17AG(4)(b)	76	Statistics on the entity's APS employees on an ongoing and non-ongoing basis, including the following: <ul style="list-style-type: none"> • Statistics on staffing classification levels; • Statistics on full time employees; • Statistics on part time employees; • Statistics on gender; • Statistics on staff location; • Statistics on employees who identify as Indigenous. 	Mandatory
17AG(4)(c)	91	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i> .	Mandatory
17AG(4)(c)(i)	91	Information on the number of SES and non-SES employees covered by agreements etc identified in paragraph 17AG(4)(c).	Mandatory

PGPA Rule Reference	Page	Description	Requirement
17AG(4)(c)(ii)	92	The salary ranges available for APS employees by classification level.	Mandatory
17AG(4)(c)(iii)	99	A description of non-salary benefits provided to employees.	Mandatory
17AG(4)(d)(i)	N/A	Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory
17AG(4)(d)(ii)	N/A	Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory
17AG(4)(d)(iii)	N/A	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, Mandatory
17AG(4)(d)(iv)	N/A	Information on aggregate amount of performance payments.	If applicable, Mandatory
Assets Management			
17AG(5)	N/A	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities.	If applicable, Mandatory
Purchasing			
17AG(6)	112	An assessment of entity performance against the <i>Commonwealth Procurement Rules</i> .	Mandatory
Reportable consultancy contracts			
17AG(7)(a)	113	A summary statement detailing the number of new reportable consultancy contracts entered into during the period; the total actual expenditure on all such contracts (inclusive of GST); the number of ongoing reportable consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory

PGPA Rule Reference	Page	Description	Requirement
17AG(7)(b)	112	A statement that <i>“During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$[specified million].”</i>	Mandatory
17AG(7)(c)	113	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory
17AG(7)(d)	113	A statement that <i>“Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.”</i>	Mandatory
Reportable non-consultancy contracts			
17AG(7A)(a)	114	A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7A)(b)	114	A statement that <i>“Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.”</i>	Mandatory

PGPA Rule Reference	Page	Description	Requirement
17AD(daa)		Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	
17AGA	114	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory
Australian National Audit Office Access Clauses			
17AG(8)	115	If an entity entered into a contract with a value of more than \$100 000 (inclusive of GST) and the contract did not provide the Auditor-General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory
Exempt contracts			
17AG(9)	N/A	If an entity entered into a contract or there is a standing offer with a value greater than \$10 000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, Mandatory
Small business			
17AG(10)(a)	117	A statement that "[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website."	Mandatory

PGPA Rule Reference	Page	Description	Requirement
17AG(10)(b)	117	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory
17AG(10)(c)	N/A	If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that “[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury’s website.”	If applicable, Mandatory
Financial Statements			
17AD(e)	120	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory
Executive Remuneration			
17AD(da)	93	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 23 of the Rule.	Mandatory
Other Mandatory Information			
17AH(1)(a)(i)	N/A	If the entity conducted advertising campaigns, a statement that “During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.”	If applicable, Mandatory
17AH(1)(a)(ii)	117	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, Mandatory

PGPA Rule Reference	Page	Description	Requirement
17AH(1)(b)	118	A statement that <i>“Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity’s website].”</i>	If applicable, Mandatory
17AH(1)(c)	101	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory
17AH(1)(d)	70	Website reference to where the entity’s Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory
17AH(1)(e)	171	Correction of material errors in previous annual report.	If applicable, Mandatory
17AH(2)	N/A	Information required by other legislation.	Mandatory

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