



Australian Government
Department of the
Prime Minister and Cabinet

ANNUAL REPORT 2019–20



DEPARTMENT OF THE PRIME MINISTER AND CABINET

ANNUAL REPORT 2019-20

About this report

This report outlines the operations and performance of the Department of the Prime Minister and Cabinet for the financial year ending 30 June 2020. 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 Number 135. The compliance index in Part 5 lists the information required by the PGPA Act and PGPA Rule and the corresponding page number within this report. The annual report can be found on the Department's website www.pmc.gov.au

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Annual report team

This report was developed by the annual report team with help from staff throughout the Department. The 2019–20 annual report team comprised Lyn Murphy, Fiona McQueenie, Louise Perez, Theekshana Perera, Emma Easton, Vivian Chan, Timo Greenwood and Lyndal Fleming.

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Translation

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Australian Government
Department of the Prime Minister and Cabinet

SECRETARY

LETTER OF TRANSMITTAL

The Hon Scott Morrison MP
Prime Minister
Parliament House
CANBERRA ACT 2600

Dear Prime Minister

I am pleased to present the Annual Report of the Department of the Prime Minister and Cabinet for the year ended 30 June 2020.

The report has been prepared in accordance with all applicable obligations of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) including section 46, which requires that you table the report in Parliament. The report reflects the matters dealt with and the legislation administered by the Department as at 30 June 2020.

The annual performance statement in Part 2 of this report is prepared in accordance with paragraph 39(1)(a) of the PGPA Act and accurately presents the Department's performance for the 2019-20 financial year in accordance with subsection 39(2) of the PGPA Act.

The report includes the Department's audited financial statements prepared in accordance with the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (PGPA Rule).

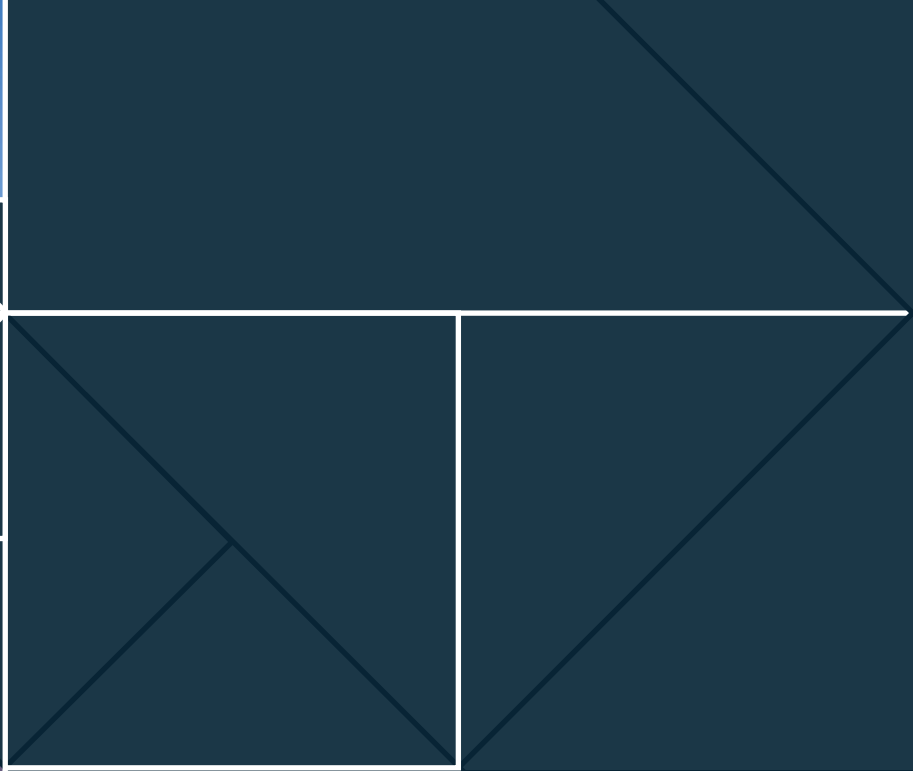
I certify that I am satisfied that the Department has in place appropriate fraud control mechanisms that meet our needs and comply with the subsection 17AG(2) of the PGPA Rule and that all reasonable steps have been taken in relation to fraud control in 2019-20.

Yours sincerely

Philip Gaetjens
22 September 2020

Cc Senator the Hon Marise Payne, Minister for Women
 The Hon Ken Wyatt MP, Minister for Indigenous Australians
 The Hon Greg Hunt MP, Minister Assisting the Prime Minister for the Public Service
 and Cabinet
 The Hon Ben Morton MP, Assistant Minister to the Prime Minister and Cabinet

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CONTENTS

Part one: Overview 2019–20	1
Secretary's Review	1
The Department	4
Our structure	6
Our executive	8
The portfolio	9
Our ministers	12
Budget outcomes and program structure	14
Part two: Annual performance statement	17
Statement of preparation	17
Performance overview	18
Summary of results by purpose	25
Purpose 1: Creating economic growth and jobs	42
Purpose 2: Delivering for regional Australia and the environment	66
Purpose 3: Supporting individuals, families and communities to thrive	78
Purpose 4: Upholding national security and strategic interests	108
Purpose 5: Governing well	122
Part three: Management and accountability	151
Corporate governance	151
Committees	152
Risk management	157
Complaints management	158
Fraud prevention and control	158
External scrutiny	159

Our people	160
Work health and safety	180
Environmental performance	181
Financial management	182
Procurement	189
Consultants	190
Small and medium enterprises	191
Advertising and market research	191
Asset management	193
Non-compliance with finance law	193
Grant programs	193
Part four: Financial statements	195
Part five: Glossary and indexes	251
Compliance index	251
List of abbreviations	259
Glossary of terms	261
Alphabetical index	262





PART ONE

Overview 2019–20

Secretary's Review

The year in review

I commenced as the Secretary of the Department of the Prime Minister and Cabinet (PM&C) on 2 September 2019, relishing the opportunities and challenges. The 2019–20 year delivered a succession of adversities, the magnitude of which many of us have never experienced. Following the step-up in work to support communities affected by drought and floods, many Australians then experienced major bushfires that took the lives of 33 people and had a massive impact across several states. Before the bushfires ended, the COVID-19 pandemic started.



Mr Philip Gaetjens, Secretary, Department of the Prime Minister and Cabinet.

These events compelled the Australian Public Service (APS) to adapt swiftly to the rapidly changing circumstance and work to support the Prime Minister and his Government as they responded to the crisis. In the face of the unprecedented national and global crises, we showed ourselves to be committed, resilient and flexible. In its response to these crises, PM&C served the needs of the Government and worked to improve the lives of all Australians.

2019–20 was a year in which PM&C affirmed its capacity to work incredibly closely and successfully with Government and across the whole APS.

On 5 December 2019, the Prime Minister announced the largest structural reforms to the APS in 30 years, reducing the number of departments from 18 to 14. These changes formed part of the Government's December 2019 APS reform agenda, 'Delivering for Australians', which included the Government's response to the 2018–19 Independent Review of the APS.

PM&C then played a key role in the APS response to the devastating bushfires of 2019–2020. The National Bushfire Recovery Agency was established in the portfolio within two days of the Prime Minister's announcement in early January, and the agency was staffed and operational before the end of that month.

The COVID-19 pandemic demanded similarly rapid action from PM&C to support the National Cabinet, the National Coordination Mechanism and the National COVID-19 Coordination Commission to deliver a coherent response to the evolving crisis. Urgent internal redeployment of staff and resources to establish policy, data, briefing and crisis management teams was a hallmark of this response. PM&C's work to integrate public and private expertise helped to progress the Government's focus on minimising and mitigating the impact of the coronavirus on Australian families, businesses and regions.

We supported the Prime Minister in his role as Chair of the National Cabinet, comprising the Prime Minister and state and territory leaders. This new leader-led arrangement to Commonwealth–State relations delivered a more dynamic and purpose-driven approach to addressing the pandemic and its consequences. The Australian Government and each jurisdiction committed through National Cabinet to protecting the health of Australians and to creating jobs to support the recovery.

Throughout the year PM&C played an important role in advancing Government innovation and delivery of individual, business and national response packages. Programs designed to cushion the economic impact of the events of recent months, such as the JobKeeper payment and small business bushfire recovery grants, were underpinned by the Department's targeted policy design and coordination.

We also worked intensively with public and private sector interests on the progression of major infrastructure projects, including Inland Rail and the Western Sydney International Airport.

Government priorities throughout the year encompassed mental health, regional Australia and the environment, and a step-up in our engagement in the Pacific. PM&C collaborated with and shaped efforts across the APS to support the Prime Minister and Cabinet in delivering a dynamic and purpose-driven approach to these areas of focus.

PM&C's work with the Department of Health and other agencies focused on mental health and suicide prevention—one of the Prime Minister's national priorities. This resulted in the appointment of a National Suicide Prevention Adviser and significant funding of mental health support.

PM&C actively contributed to sustainable water policy through the National Water Grid Authority's \$1.5 billion Infrastructure Development Fund. The Department was also central in proposing a deadline for the international export of domestic waste, while building the nation's recycling capacity.

The Government's increased engagement with the Pacific involved PM&C's participation in the rapid refocus of the aid program to address the impact of COVID-19 in the region. PM&C also furthered the Government's prioritisation of Australia's alliance with the United States of America (US) by mobilising staff across the Department to support the Prime Minister's successful US visit in late 2019.

The Secretaries Board I chair established the Chief Operating Officers Committee in February 2020 to work and collaborate on issues relevant to the whole APS-enterprise. Focus quickly pivoted to managing an operational response to the COVID-19 crisis and proved the benefits of an APS-enterprise approach to meeting the Australian public's urgent and rapidly evolving needs.

In 2019–20, a fast-changing operating environment drove our business continuity planning and technology-led transformation of work practices. The priority in this context was to meet the needs and manage the wellbeing of the Department's greatest asset—our people.

I thank Dr Martin Parkinson AC PSM for his leadership of this Department and the APS up until 30 August 2019. As the Prime Minister said, his policy acumen across a range of domestic and international policy areas helped Australia to navigate a complex and rapidly changing world.

The year ahead

The experience of 2019–20 emphasised how directly our work impacts the lives of all Australians, especially when responding to disaster events like flood, fire and a virus pandemic.

Driving the APS reform agenda will also occur in the context of recovery. Our goal is to promote an APS-enterprise that will deliver the Government priorities to manage COVID-19 and restore the health of the economy.

The prime focus in 2020–21 will be on pivoting as soon as practicable from a pandemic response to a policy advice and delivery posture that is geared to economic recovery, and that uses all drivers possible to restore jobs and prevent the corrosive impact of long-term unemployment.

The Department

Our mission

The Department of the Prime Minister and Cabinet's (PM&C's) mission is to improve the lives of all Australians. We achieve this by delivering high-quality and timely advice to the Prime Minister, the Cabinet, and our Portfolio Ministers and Assistant Ministers. We draw upon the expertise of agencies in the Australian Public Service (APS), Australian jurisdictions and international partners, and we add unique value to these perspectives by leveraging our close understanding of the Prime Minister's priorities, our whole-of-government perspective and the diverse skills and expertise of our people.

The Prime Minister has made clear his high expectations for the APS—a service that is professional, capable, flexible, technology-enabled, citizen-focused and open to outsiders; and that considers diverse viewpoints. The Prime Minister's expectations are framed by his recognition that modern government is hard—that change is ever-present and public expectations have never been greater.

Because of this, the APS must evolve and adapt, and PM&C must be at the forefront of the evolution in its support of the Secretary who leads the APS. We must be purposeful and active, not passive. We must pull together our breadth of expertise, experience and exposure to ensure that the advice we provide is proactive, comprehensive and practical.

Our purposes

In 2019–20, our work to improve the lives of all Australians was guided by five key purposes:

- Creating economic growth and jobs
- Delivering for regional Australia and the environment
- Supporting individuals, families and communities to thrive
- Upholding national security and strategic interests
- Governing well.

Our role

We coordinate and provide high-quality advice that adds value and supports the Prime Minister, the Cabinet, Portfolio Ministers and Assistant Ministers developing and delivering government policies. Our span of influence extends across the Government and covers economic, domestic and international issues, Aboriginal and Torres Strait Islander affairs and APS stewardship.

We do this by:

- providing well-founded advice to the Prime Minister, the Cabinet, Portfolio Ministers and Assistant Ministers on national and global challenges and matters at the forefront of Government
- coordinating and shaping policy across Government with a focus on adding value consistent with our mission, ensuring consistency with the Prime Minister's direction and Cabinet decisions as well as effective implementation
- fostering a high-performing public sector, working with the Australian Public Service Commission
- consulting across Government, the private sector, the not-for-profit sector and the community
- integrating the Australian Government's strategic policy approach to preparedness and response to crisis situations, national disaster events and recovery with the Commonwealth emergency management operational expertise by harnessing the collective skills and resources of the APS.

Our structure

PM&C operates in four main groups:

- Domestic Policy Group
- National Security and International Policy Group
- Governance Group
- Chief Operating Officer Group.

Domestic Policy Group

The Domestic Policy Group advises the Prime Minister, the Cabinet and Portfolio Ministers on jobs and economic growth, the Budget, industry, infrastructure, agriculture, innovation, health, education, social services, the environment, population and migration, and multiculturalism. The group coordinates whole-of-government regulatory reform, provides behavioural insights advice and project assistance and supports the G20 Sherpa, Mr Simon Duggan, in developing and prosecuting Australia's contributions to the G20.

The group develops and coordinates whole-of-government public data policy, national policies and strategies to enhance the safety of children and digital technology policy. It also supports government priorities for gender equality and the empowerment of women. It provided advice and support for the Budget process and National Cabinet meetings. The group coordinated the Council of Australian Governments (COAG) arrangements.

National Security and International Policy Group

The National Security and International Policy Group provides advice on Australia's foreign policy and national security interests. Its work covers the Prime Minister's engagement with foreign leaders and multilateral forums; Defence strategic policy, capability and operations; critical technologies and infrastructure; countering foreign interference; cybersecurity; National Intelligence Community policy; counter-terrorism; law enforcement; border security; and crisis management, including disaster preparedness and response. The National Security and International Policy Group provided a heightened level of support to the Government in 2019–20 due to the bushfires and the COVID-19 pandemic.

Governance Group

The Governance Group provides advice on legal policy, parliamentary and government matters, and honours, symbols and territories policy. It also provides support services to the Prime Minister, the Cabinet, Cabinet committees, PM&C's Portfolio Ministers and the Governor-General. The group delivers PM&C's enabling and support functions and oversees the implementation and ongoing delivery of Government programs, policies and initiatives.

Chief Operating Officer Group

With effect from 2 June 2020, the Chief Operating Officer (COO) Group delivers the Department's internal corporate and enabling services provided through the Corporate Division and the Ministerial Support Division, with the COO reporting directly to the Secretary.

National Bushfire Recovery Agency

On 6 January 2020, the Prime Minister announced the creation of the National Bushfire Recovery Agency, which leads and coordinates national recovery efforts in areas affected by the 2019–2020 bushfires.

The agency provides advice to Government on the administration of the National Bushfire Recovery Fund and works with state, territory and local governments, non-government stakeholders and communities to ensure that bushfire-affected communities have ready access to meaningful recovery support. It is also responsible for developing a long-term plan for the recovery, rebuilding and resilience of bushfire-affected communities.

National COVID-19 Coordination Commission

On 25 March 2020, the Prime Minister established the National COVID-19 Coordination Commission (NCCC) to assist in minimising the immediate impact of the COVID-19 pandemic and bring a business perspective to the longer term economic recovery.

As the pandemic and the Government's response to it evolved, NCCC members drew on their business networks and experience in giving practical and strategic advice to Government. In the initial stages of the crisis, it focused on assisting in the resolution of immediate issues, such as shortages in personal protective equipment and unblocking supply chains. It then worked with industry and businesses to develop COVIDSafe plans so they could reopen safely as restrictions were lifted, with the virus still in the background. Once it finished this task, the NCCC transitioned to longer term economic recovery issues, playing a strategic advisory role to Government.

The NCCC is led by Mr Neville Power and supported by the Deputy Chair, Mr David Thodey AO, and a board of commissioners. On its establishment, the commissioners were Mr Greg Combet AM, Ms Jane Halton AO PSM FAICD FIPPA, Mr Paul Little AO, and Ms Catherine Tanna. Each of the commissioners led the development of strategies and engagement within a specific stream or sector relevant to their expertise, across the public, private and not-for-profit sectors. The commissioners were joined on the NCCC executive board by the PM&C Secretary, Mr Philip Gaetjens, and the Secretary of the Department of Home Affairs, Mr Mike Pezzullo AO.

Our executive

As at 30 June 2020, PM&C's senior executive was as follows:

Secretary	Mr Philip Gaetjens
Deputy Secretary, Governance	Ms Stephanie Foster PSM
Chief Operating Officer	Mr Tomas Gilmartin
Deputy Secretary, Economy, Industry & G20 Sherpa	Mr Simon Duggan
Deputy Secretary, National Security and International Policy	Ms Caroline Millar
Deputy Secretary, Social Policy	Ms Cath Patterson

The portfolio

As at 30 June 2020, the following entities were part of the portfolio. Each entity has its own purpose, and their performance is reported in their respective annual reports.

DEPARTMENT OF STATE

- Department of the Prime Minister and Cabinet (including the National Bushfire Recovery Agency)

OTHER NON-CORPORATE COMMONWEALTH ENTITIES

- Australian National Audit Office
- Australian Public Service Commission
- National Drought and North Queensland Flood Response and Recovery Agency
- National Indigenous Australians Agency
- Office of National Intelligence
- Office of the Official Secretary to the Governor-General
- Workplace Gender Equality Agency

CORPORATE COMMONWEALTH ENTITIES

- Australian Institute of Aboriginal and Torres Strait Islander Studies
- Indigenous Business Australia
- Indigenous Land and Sea Corporation
- Anindilyakwa Land Council

- Central Land Council
- Northern Land Council
- Tiwi Land Council
- Old Parliament House
- Torres Strait Regional Authority
- Wreck Bay Aboriginal Community Council

COMMONWEALTH COMPANIES

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

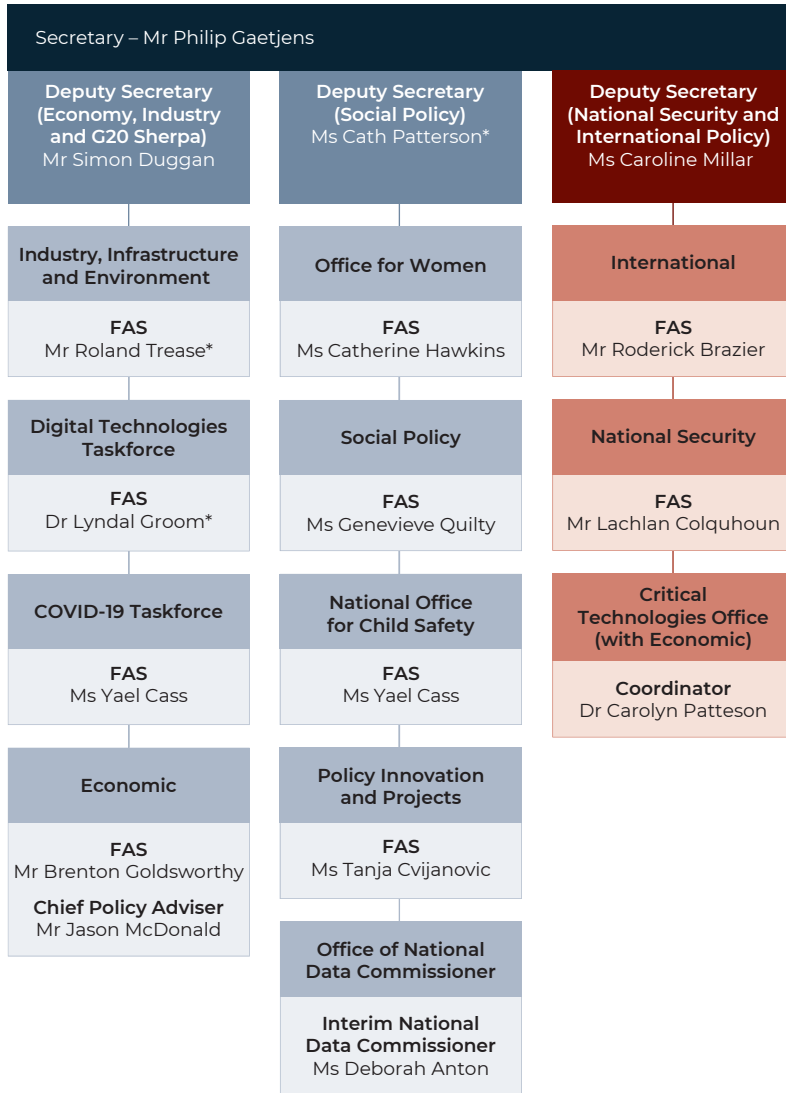
STATUTORY BODIES

- Defence Force Remuneration Tribunal
- Remuneration Tribunal

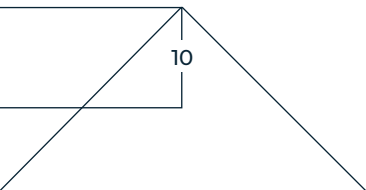
OFFICE HOLDERS

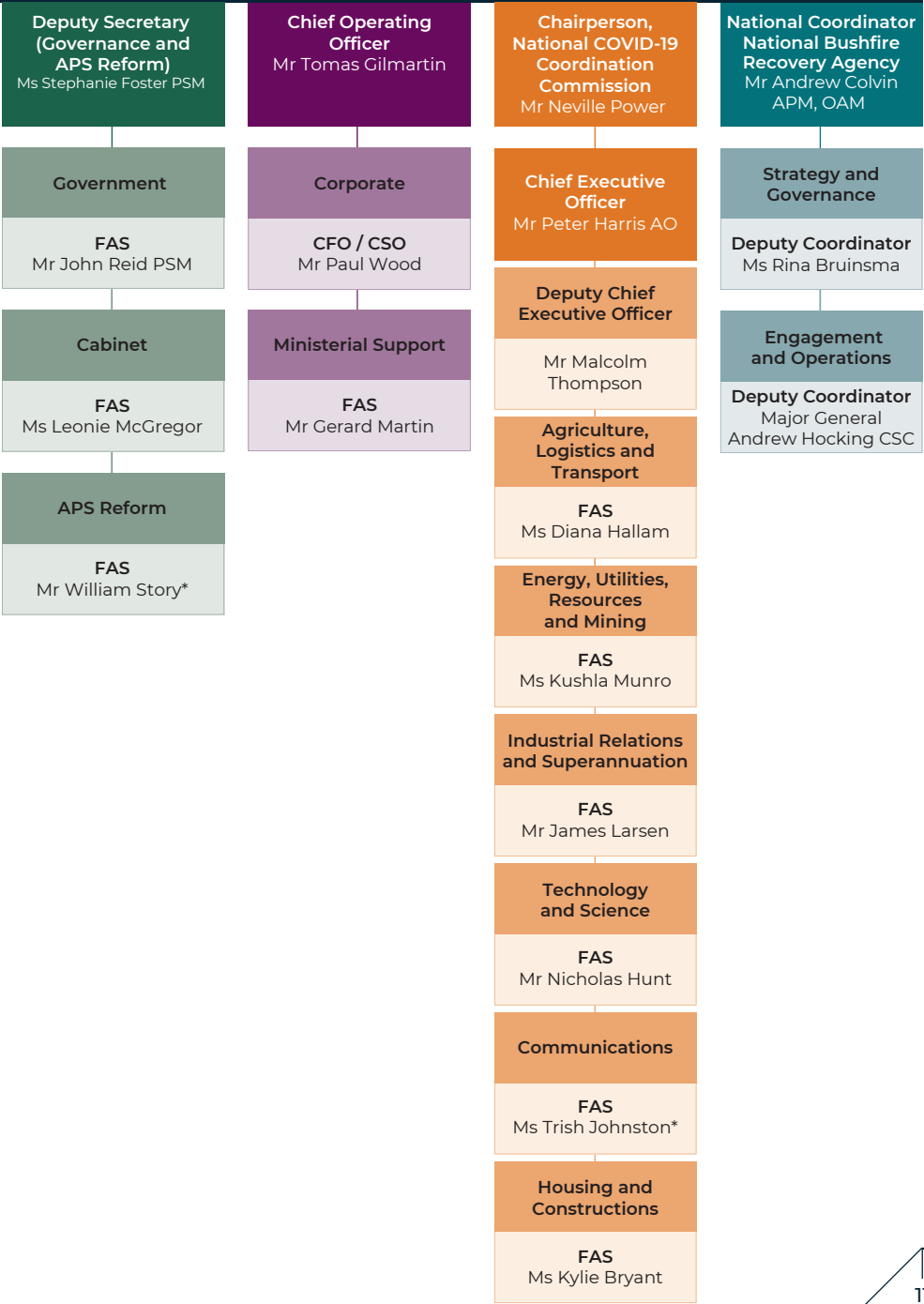
- Executive Director of Township Leasing
- Office of the Aboriginal Land Commissioner
- Office of the Merit Protection Commissioner
- Office of the Registrar of Aboriginal and Torres Strait Island Corporations

Our organisational structure as at 30 June 2020



*Denotes acting arrangements





Our ministers

As at 30 June 2020, PM&C's Portfolio Ministers and Assistant Ministers were:



The Hon Scott Morrison MP
Prime Minister and Minister for the Public Service



Senator the Hon Marise Payne
Minister for Women



The Hon Ken Wyatt AM MP
Minister for Indigenous Australians



The Hon Greg Hunt MP
*Minister Assisting the Prime Minister
for the Public Service and Cabinet*



The Hon Ben Morton MP
*Assistant Minister to the Prime Minister
and Cabinet*

On 6 April 2020 the Prime Minister announced that responsibility for public service matters, including the Australian Public Service Commission was temporarily transferred from the Minister Assisting the Prime Minister for the Public Service and Cabinet to the Assistant Minister to the Prime Minister and Cabinet. This was current as at 30 June 2020.

Budget outcomes and program structure

In achieving PM&C's purposes for 2019–20, we worked to deliver against the key priorities outlined in the Portfolio Budget Statements 2019–20 (PBS) and Portfolio Additional Estimates Statements 2019–20. Our Corporate Plan 2019–2023 articulated how these key priorities would be achieved and how achievement and success would be measured. Responsibility for delivering outcome 2 programs under the PBS transferred to the National Indigenous Australians Agency (NIAA) on 1 July 2019. Table 1.1 below shows the links between our purposes, outcomes and program framework.

Table 1.1: Purposes, outcome and program

<p>Purpose 1 Create economic growth and jobs</p> <p>Purpose 2 Deliver for regional Australia and the environment</p> <p>Purpose 3 Support individuals, families and communities to thrive</p> <p>Purpose 4 Uphold national security and strategic interests</p> <p>Purpose 5 Govern well</p>	<p>Outcome 1 Provide high-quality policy advice and support to the Prime Minister and the Cabinet, Portfolio Ministers and Assistant Ministers including through the coordination of government activities, policy development and program delivery.</p>	<p>Program 1.1 Prime Minister and Cabinet</p>
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China, Asia, and the World Economy



PART TWO

Annual performance statement

Statement of preparation

I, Philip Gaetjens, as the accountable authority of the Department of the Prime Minister and Cabinet (PM&C), present the 2019–20 annual performance statement 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 statement is based on properly maintained records, accurately reflects the performance of the entity, and complies with subsection 39(2) of the PGPA Act.



Mr Philip Gaetjens

Secretary

22 September 2020

Performance overview

PM&C achieves its mission of improving the lives of all Australians by delivering high-quality and timely advice to the Prime Minister, the Cabinet, and our Portfolio Ministers and Assistant Ministers. In forming our advice we draw upon the expertise of agencies in the Australian Public Service (APS), Australian jurisdictions and international partners. We seek to shape and add unique value to those perspectives by leveraging our detailed understanding of the Prime Minister's priorities, our whole-of-government perspective and the diverse skills and expertise of our people.

This annual performance statement gives an assessment of PM&C's actual performance in achieving each of its purposes and Portfolio Budget Statements (PBS) outcomes for the 2019–20 financial year. The assessment includes an analysis against each purpose and results allocated to our PBS outcome and each activity in our Corporate Plan 2019–2023.

In 2019–20, drought, floods, the Australian bushfires and the COVID-19 pandemic led Australians to face extraordinary health, social and economic challenges. As a consequence, PM&C's operating environment was one of constant change. From late 2019, PM&C was involved in the disaster response to the bushfires and established the National Bushfire Recovery Agency (NBRA). In response to the COVID-19 pandemic, PM&C, along with the broader APS-enterprise, mobilised to deal swiftly with the most pressing issues. For example, it assisted in establishing the National COVID-19 Coordination Commission (NCCC), now the National COVID-19 Commission (NCC) Advisory Board, and supported the Government with the newly established governance committees. In some instances this meant reallocating resources from planned activities in the Corporate Plan to disaster recovery activities. Because of this reallocation, some of our 2019–20 activities were deferred and will recommence at a later date.

The Department's PBS outcomes align to all of the Corporate Plan purposes; consequently, the performance result allocated to each outcome was informed by the assessments of the Corporate Plan purposes.

Overall, PM&C performed well against our purposes, activities and measures set out in the Corporate Plan 2019–2023. For the reporting period 2019–20, of the 51 performance measures we achieved 41 measures, partially achieved four and are on track to deliver another six over the life of the plan.

A summary of all results is provided on pages 26–41, using the results definitions on the following page.

Results definitions

RESULTS CATEGORY	DEFINITION	RESULTS
Achieved	In the 2019–20 reporting period, the Department delivered against the performance measure and/or target.	41
On track	The performance measure and/or target is on track to be met over the forward estimates. In some instances the key activity has been deferred due to disaster response activities arising from the COVID-19 pandemic or the Australian bushfires.	6
Partially achieved	In the 2019–20 reporting period, the Department partially achieved against the performance measure and/or target. In some instances the key activity has been deferred due to disaster response activities arising from the COVID-19 pandemic or the Australian bushfires.	4
Not achieved	In the 2019–20 reporting period, the performance measure and/or target was not met. In some instances the key activity has been deferred due to disaster response activities arising from the COVID-19 pandemic or the Australian bushfires.	0

Results were assessed using a range of performance measurement methods, including case studies supported by evidence, data sources and a stakeholder survey. Where case studies were used, in most instances, the scope of the case study was predetermined and the data sources were identified in advance, in line with the Department of Finance guidance in Resource Management Guide 131. Additional case studies were included at the end of the reporting period to highlight the Department's agility in responding to emerging priorities. To support the reporting, PM&C engaged Orima Research to conduct an independent survey of its key stakeholders.

Portfolio Budget Statements outcomes

As outlined in the PBS, PM&C's role 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 PBS listed two outcomes for the Department:

OUTCOME 1—Provide high quality policy advice and support to the Prime Minister and the Cabinet, Portfolio Ministers and Assistant Ministers including through the coordination of government activities, policy development and program delivery.

Program 1.1—Prime Minister and Cabinet

The objectives of this program are to:

- provide advice, support and services to the Prime Minister, the Cabinet, Portfolio Ministers and Assistant Ministers, and coordination across Government, on major domestic, international and national security matters.
- provide support to the Cabinet and its committees, the Federal Executive Council and Council of Australian Governments (COAG) to facilitate informed decision making.

Delivery

This program is delivered through the provision of advice, support and services to the Prime Minister, the Cabinet, Portfolio Ministers, Assistant Ministers and/or the Federal Executive Council and through leadership and coordinated public sector responses to Government decisions and strategic priorities.

Performance information

Year	Performance criteria	Targets
2019–20	Quality and timely policy advice, support and services to the Prime Minister, Portfolio Ministers, the Cabinet and key stakeholders. Effective public sector leadership, coordination and monitoring of responses to Government decisions, policies and strategic priorities.	Maintain or increase stakeholder satisfaction by 2020.
Purposes	<ol style="list-style-type: none"> 1. Creating economic growth and jobs 2. Delivering for regional Australia and the environment 3. Supporting individuals, families and communities to thrive 4. Upholding national security and strategic interests 5. Governing well 	
Result	Achieved	

OUTCOME 1—Provide high quality policy advice and support to the Prime Minister and the Cabinet, Portfolio Ministers and Assistant Ministers including through the coordination of government activities, policy development and program delivery.

Analysis

In 2019–20, PM&C supported high-profile and urgent matters by coordinating key Government policy development and implementation, and was on track to deliver on planned activities.

The 2019–2020 bushfires and the COVID-19 pandemic fundamentally altered our operating environment during the reporting period and affected the way we responded in delivering our program of work against each of the PBS outcomes. On 13 March 2020, the Prime Minister announced the establishment of the National Cabinet. This became the prime decision-making body to manage the COVID-19 pandemic response. In a further development, on 29 May 2020, the Prime Minister announced that COAG would cease and be replaced by the National Cabinet. These initiatives provide a new architectural landscape for the governance of the Australian federation.

Against a rapidly evolving operating environment in 2019–20, PM&C continued to support the Prime Minister, Portfolio Ministers, Assistant Ministers, key stakeholders, the Cabinet and its committees, Federal Executive Council and the National Cabinet with quality policy advice and services. In some instances, this required redirection of resources to emerging priorities.

The National COVID-19 Coordination Commission and National Bushfire Recovery Agency were formed under the PM&C portfolio this year to enable the APS-enterprise to provide agile and responsive support to the Prime Minister, the Cabinet and the Australian community.

In addition, a survey of key stakeholders found that PM&C had effectively led and coordinated the APS in the bushfire and COVID-19 pandemic responses in 2019–20, with an overall positive response.

Achievement is demonstrated by analyses against each of the Corporate Plan purposes.

OUTCOME 2—Improve results for Indigenous Australians including in relation to school attendance, employment and community safety, through delivering services and programmes, and through measures that recognise the special place that Indigenous people hold in this Nation.

On 1 July 2019, the National Indigenous Australians Agency (NIAA) was established to assist the Australian Government to achieve its objectives in improving the lives of Indigenous Australians. The reporting responsibilities against this outcome moved on 1 July 2019 from PM&C to NIAA.

PM&C continues to support the NIAA to deliver, coordinate and convene policy and programs.

NATIONAL COVID-19 COORDINATION COMMISSION



CASE STUDY

The NCCC was set up within PM&C to support the Government to minimise the immediate impact of the COVID-19 pandemic and bring a business perspective to the longer term economic recovery.

The NCCC solved problems with supply and employment issues, helped industry and businesses to develop COVIDSafe plans and provided a strategic advisory role to Government on longer term economic recovery.


In the initial phase of the crisis NCCC used our networks and experience to help:

- address shortages in personal protective equipment
- unblock supply chains and move food supplies to regional and remote areas
- navigate freight and transport challenges
- connect laid-off staff with other work, such as redeploying airline staff into the health sector.

NCCC next helped business be COVIDSafe by:

- contributing to COVIDSafe principles approved by the National Cabinet
- developing a business planning tool and checklist.

NCCC engaged with more than 1,000 businesses and not-for-profit groups to support our strategic advisory role, providing advice to the Government on economic recovery.



NCCC's wide range of expertise, experience and networks allowed us to connect business to business and business to government and to mobilise efforts across public, private and jurisdictional lines.

We helped businesses develop and promote COVIDSafe workplace plans, increasing consumer and business confidence and contributing to economic recovery.

We supported business to reconfigure their operations and develop COVIDSafe plans through our business planning tool, which has been downloaded more than 26,000 times.

In the economic recovery phase, we continued to consult widely with business and not-for-profit groups to provide advice to Government to improve the longer term prosperity, productivity and resilience of the Australian economy.

Areas of focus included advanced manufacturing, energy, infrastructure, the not-for-profit sector, enhancing digital capability for small business, deregulation, tourism, and housing and construction.

The NCCC achieved a range of practical outcomes to help mitigate the impact of the COVID-19 pandemic on lives and livelihoods and provided strategic advice from a business perspective to support the Government's initiatives for the fastest possible economic recovery.

Driving reform across the Australian Public Service

The APS-enterprise provides essential services to Australians and is critical to Australia's security and prosperity. With this in mind, in May 2018, the Government commissioned the Independent Review of the APS (Thodey Review) to ensure the APS was ready to deliver in a rapidly changing world.

PM&C supported the review panel to undertake and complete its work—for example, by helping it to undertake extensive public consultations with over 11,000 people within and outside the APS-enterprise. The panel delivered its report to the Government in September 2019. PM&C supported the Government to develop its December 2019 APS-enterprise reform agenda, 'Delivering for Australians', which included the Government's response to the review.

The Government accepted the majority of the review's recommendations and commissioned the Secretaries Board to plan implementation of the Government's reform agenda. In early 2020, PM&C established a new team, the APS Reform Office, to support the Secretaries Board in delivering the reforms.

In April 2020, the Secretaries Board agreed to pause its implementation planning to focus on meeting the immediate demands on the APS-enterprise at the front line of the Government's response to the COVID-19 pandemic. As the Secretary of PM&C and the APS Commissioner noted, however, the APS-enterprise's rapid, collaborative and innovative response to the crisis represented 'reform in practice', consistent with the objectives and ethos of Government's APS-enterprise reform agenda.

The Secretaries Board is now spearheading delivery of reform initiatives that best equip the APS-enterprise to respond to the continuing crisis and support Australia's recovery, while building longer term APS-enterprise capability. This includes critical priorities to help deliver the Government's recovery agenda, accelerate APS-enterprise digital transformation and build APS-enterprise workforce capability and planning. Through the APS Reform Office, PM&C is continuing to support implementation of the reform agenda.

Summary of results by purpose

Results by purpose

The purposes outlined in the PM&C Corporate Plan 2019–2023 are:

Purpose 1—Creating economic growth and jobs

Purpose 2—Delivering for regional Australia and the environment

Purpose 3—Supporting individuals, families and communities to thrive

Purpose 4—Upholding national security and strategic interests

Purpose 5—Governing well

Summary of results tables

The following tables list PM&C's result for each performance measure within the Corporate Plan, grouped by purpose.

Table 2.1 Summary of PM&C's results against the performance criteria for the 2019–20 reporting period

CREATING ECONOMIC GROWTH AND JOBS				
NO.	KEY ACTIVITY	MEASURE	RESULTS	PAGE NUMBER
1.1	Work to apply economic frameworks to complex policy problems so sustainable policy solutions are developed for the Government, to identify options to enhance the productivity of domestic businesses and to foster internationally competitive industries.	The Prime Minister, the Cabinet, responsible ministers and agencies receive high-quality and coordinated advice to inform policy development and support the implementation of the Government's key priorities and activities.	Achieved	45
1.2	Lead the Digital Technologies Taskforce to coordinate and drive the Government's policies on digital technologies.	The Prime Minister, the Cabinet, responsible ministers and agencies receive high-quality and coordinated advice to inform policy development and support the implementation of the Government's key priorities and activities.	On track	47
1.3	Work with other Commonwealth agencies to provide holistic and timely advice on the Government's \$100 billion, 10-year infrastructure pipeline, including the delivery of priority projects such as the Western Sydney Airport, Inland Rail and Snowy Hydro 2.0.	The Prime Minister, the Cabinet, responsible ministers and agencies receive high-quality and coordinated advice to inform policy development and support the implementation of the Government's key priorities and activities.	Achieved	50

CREATING ECONOMIC GROWTH AND JOBS				
NO.	KEY ACTIVITY	MEASURE	RESULTS	PAGE NUMBER
1.4	Support the Prime Minister, responsible ministers and agencies to deliver the National Vision for Vocational Education and Training.	The Prime Minister, the Cabinet, responsible ministers and agencies receive high-quality and coordinated advice to inform policy development and support the implementation of the Government's key priorities and activities.	Achieved	52
1.5	Support the Government in the implementation of its refreshed deregulation agenda, including through co-leading, with Treasury, the Deregulation Taskforce.	The Prime Minister, the Cabinet, responsible ministers and agencies receive high-quality and coordinated advice to inform policy development and support the implementation of the Government's key priorities and activities.	Achieved	55
1.6	Support the Government to implement its priorities in industrial relations, tax, transfers and superannuation policy, including through the Retirement Income Review.	The Prime Minister, the Cabinet, responsible ministers and agencies receive high-quality and coordinated advice to inform policy development and support the implementation of the Government's key priorities and activities.	Achieved	56

CREATING ECONOMIC GROWTH AND JOBS				
NO.	KEY ACTIVITY	MEASURE	RESULTS	PAGE NUMBER
1.7	Work with central agencies to support the Prime Minister in the Budget process, including whole-of-government advice on new policy proposals considered by the Expenditure Review Committee.	Support the Expenditure Review Committee in decision making and assist the Government to deliver on its fiscal strategy.	Achieved	59
1.8	Support the Prime Minister in achieving the Government's strategic priorities in areas that require Commonwealth-State cooperation.	Assist COAG to deliver on its priorities by ensuring good governance of the COAG system.	Achieved	60
1.9	Support the Prime Minister to represent Australia in the G20 and other international forums to drive international cooperation and advance Australia's national interests.	Support the Government to develop and prosecute its trade, foreign investment, and G20 objectives.	Achieved	62
1.10	Work as early as possible with agencies to identify policy problems and articulate the costs and benefits of all options where there may be major impacts on businesses or citizens.	Ensure Government decisions are fully informed of the direct impacts of major policy proposals using evidence and the input of affected stakeholders.	Target 1: Partially achieved	64-65
			Target 2: Achieved	

DELIVERING FOR REGIONAL AUSTRALIA AND THE ENVIRONMENT				
NO.	KEY ACTIVITY	MEASURE	RESULT	PAGE NUMBER
2.1	Through our role co-leading the National Waste and Recycling Taskforce, work to give effect to the COAG commitment to establish a timetable to ban the export of waste plastic, paper, glass and tyres, while building Australia's capacity to generate high-value recycled commodities and associated demand.	PM&C provides advice and practical recommendations to assist the Prime Minister in building consensus through COAG to implement, monitor and enforce an export ban on waste plastic, glass and tyres.	Achieved	68
2.2	Continue to support Commonwealth agencies to deliver the Government's water infrastructure priorities, which aim to provide regional communities, farmers and industries with more secure, reliable and cost-effective water supplies.	The Prime Minister, the Cabinet, responsible ministers and agencies receive coordinated advice to inform policy development and support the implementation of the Government's key priorities and activities.	Achieved	70
2.3	Collaborate with Commonwealth agencies and state and territory governments to refresh the Northern Australia strategy.	The Prime Minister, the Cabinet, responsible ministers and agencies receive coordinated advice to inform policy development and support the implementation of the Government's key priorities and activities.	Achieved	72

DELIVERING FOR REGIONAL AUSTRALIA AND THE ENVIRONMENT				
NO.	KEY ACTIVITY	MEASURE	RESULT	PAGE NUMBER
2.4	Support Commonwealth agencies (including NQLIRA) to deliver on the Government's plan and the Prime Minister's priority to support farmers and regional communities to respond to the drought now, and strengthen Australia's preparedness and resilience for future droughts.	PM&C supports NQLIRA and delivers regular updates to the Prime Minister and the Cabinet on the drought response and implementation of reforms that support preparedness and resilience.	Achieved	74
2.5	Support the National Soils Advocate in his efforts to progress the national objective to protect, restore and maintain the health of the Australian agricultural landscape and to guarantee a food secure nation and sustainable farming communities.	PM&C, in collaboration with Commonwealth agencies, delivers policy advice and support to progress the National Soils Advocate's Terms of Reference.	Achieved	76

SUPPORTING INDIVIDUALS, FAMILIES AND COMMUNITIES TO THRIVE				
NO.	KEY ACTIVITY	MEASURE	RESULT	PAGE NUMBER
3.1	Provide high-quality and timely advice to the Prime Minister, the Cabinet, and portfolio ministers on social policy and intergovernmental matters to inform the Government's priorities and policy development and approval. Areas of focus include:	The Prime Minister, the Cabinet, responsible ministers and agencies receive high-quality and timely advice to inform:		
	Reducing the rate of suicide towards zero and improve the mental health and wellbeing of all Australians by supporting the work of the National Suicide Prevention Adviser and the Government's response to the Productivity Commission inquiry into mental health.	The work of the National Suicide Prevention Adviser and the Government's response to the Productivity Commission inquiry into mental health.	Achieved	82
	Supporting the Prime Minister to achieve the Government's goal of increasing the number of NDIS participants to 500,000 by 2024.	An increase to the number of NDIS participants.	Achieved	83
	Working with partners and policy leads across Government to manage the Disability and Aged Care Royal Commissions.	Management of the Disability and Aged Care Royal Commissions.	Achieved	83

SUPPORTING INDIVIDUALS, FAMILIES AND COMMUNITIES TO THRIVE				
NO.	KEY ACTIVITY	MEASURE	RESULT	PAGE NUMBER
3.1	In conjunction with the Health portfolio, providing Australians with continued and expanded access to affordable medicines through the Pharmaceutical Benefits Scheme (PBS).	Consideration of access to affordable medicines through the PBS.	Achieved	84
	Supporting the Prime Minister in his capacity as Chair of the former Council of Australian Governments and new National Cabinet on the delivery of a new 2020–2025 National Health Reform Agreement which ensures continuity of hospital funding, improves access to services and patient outcomes and reduces avoidable hospitalisations.	Delivery of a new 2020–2025 National Health Reform Agreement.	Achieved	84
	Working with the Department of Education to ensure that the National Policy Initiatives under the National School Reform Agreement are implemented and achieve improvements in school education outcomes.	Implementation of the National Policy Initiatives under the National School Reform Agreement.	On track	85
	Working with the Attorney-General's Department to reform the federal judicial architecture.	Effective reform of the federal judicial architecture.	Achieved	85

SUPPORTING INDIVIDUALS, FAMILIES AND COMMUNITIES TO THRIVE				
NO.	KEY ACTIVITY	MEASURE	RESULT	PAGE NUMBER
3.2	Support the Attorney-General in introducing legislative protection for the freedom of religious belief.	The Prime Minister and Attorney-General receive high-quality and timely advice and support on appropriate measures to support the freedom of religious belief in Australian law.	Partially achieved	89
3.3	Ensure Australia's honours system appropriately recognises worthy Australians.	The Prime Minister receives comprehensive and timely advice on the administration of Australia's honours system, with a focus on: <ul style="list-style-type: none"> the implementation of new awards proposed by the Prime Minister ensuring the integrity of the system through appropriate review of awards. 	Achieved	90
3.4	Continue to work with Commonwealth agencies to improve online safety, including tackling bullying and preventing the use of the internet for terrorist purposes, and supporting the dedicated taskforce.	The Prime Minister, the Cabinet, responsible ministers and agencies receive coordinated advice to inform development of policies to keep Australians safe online, including preventing terrorism and extreme violent content on the internet.	Achieved	91

SUPPORTING INDIVIDUALS, FAMILIES AND COMMUNITIES TO THRIVE				
NO.	KEY ACTIVITY	MEASURE	RESULT	PAGE NUMBER
3.5	Support the Prime Minister, the Cabinet and the Minister for Women to deliver key priorities for gender equality, including women’s safety, economic security and leadership.	The Office for Women contributes to the delivery of the Government’s key priorities for gender equality including:		
		Implementing the Fourth Action Plan of the National Plan to Reduce Violence against Women and their Children 2010–2022.	Achieved	94
		Implementing the first Women’s Economic Security Statement (WESS) and progressing development of the second WESS.	On track	95
		Participating in international fora, including the UN Commission on the Status of Women.	Achieved	95
		Supporting increased women in leadership positions, including gender diversity on Australian Government boards.	Achieved	96

SUPPORTING INDIVIDUALS, FAMILIES AND COMMUNITIES TO THRIVE				
NO.	KEY ACTIVITY	MEASURE	RESULT	PAGE NUMBER
3.6	Support the Assistant Minister to the Prime Minister and Cabinet to deliver a National Strategy to Prevent Child Sexual Abuse, with a particular focus on awareness raising, education and reducing stigma for victims and survivors.	The National Strategy to Prevent Child Sexual Abuse is delivered within agreed timeframes to the satisfaction of the Prime Minister and the Assistant Minister to the Prime Minister and Cabinet, and key stakeholders.	On track	101
3.7	Support the Social Impact Investing (SII) Expert Panel to deliver an interim and final report to Government on the Commonwealth's role in the Social Impact Investing market.	Ministers and Social Impact Investing (SII) Expert Panel are satisfied with the quality of the interim and final reports. SII Expert Panel is satisfied with the quality of support provided by the PM&C team. The SII Taskforce consults widely in the lead up to the delivery of the interim and final report. SII Interim and final reports are delivered by agreed deadlines and supported by best-available evidence.	On track	104

SUPPORTING INDIVIDUALS, FAMILIES AND COMMUNITIES TO THRIVE				
NO.	KEY ACTIVITY	MEASURE	RESULT	PAGE NUMBER
3.8	Support NIAA in developing policies and programs that will improve the wellbeing and welfare of all Aboriginal and Torres Strait Islander peoples.	<p>The Prime Minister, the Cabinet, and responsible ministers and agencies receive high-quality and timely advice to inform the consideration and progression of the Government's agenda for Indigenous Australians.</p> <p>PM&C leverages the position of the NIAA within the portfolio to improve policy outcomes by ensuring other policy areas consider Indigenous perspectives and enables the Agency to have visibility and input into these policy spaces.</p>	Achieved	105

UPHOLDING NATIONAL SECURITY AND STRATEGIC INTERESTS				
NO.	KEY ACTIVITY	MEASURE	RESULT	PAGE NUMBER
4.1	Support the Prime Minister's engagement with foreign counterparts and business leaders to strengthen and diversify Australia's partnerships internationally, especially in the Indo-Pacific, contributing to a more successful and prosperous Australia.	PM&C supports and strengthens the Prime Minister's international agenda by providing high-quality and timely briefing for the Prime Minister's engagements. Implementation by the APS of commitments made by the Prime Minister to foreign leaders.	Achieved	112
4.2	Provide comprehensive, influential and timely advice and coordination on national security, with an emphasis on: <ul style="list-style-type: none"> counter-terrorism and crisis management border security, law enforcement, cyber security and counter foreign interference initiatives defence operations and capability, including on the national naval shipbuilding enterprise foreign policy. 	Decisions in relation to national security matters are made and implemented on the basis of consideration of Australia's national interests and the full range of equities, including social, economic and security interests, and implemented in a timely way. Whole-of-government response during times of crisis is coordinated seamlessly.	Achieved	116

UPHOLDING NATIONAL SECURITY AND STRATEGIC INTERESTS				
NO.	KEY ACTIVITY	MEASURE	RESULT	PAGE NUMBER
4.3	Provide comprehensive, influential and timely advice and coordination on Defence Capability, operations and strategic policy, including the establishment of a sovereign and sustainable Australian defence industrial base.	PM&C supports the delivery of the \$200 billion 2016 Defence White Paper Investment Program, including the \$90 billion National Shipbuilding Enterprise.	Achieved	119
4.4	Support the Prime Minister as Chair of National Security Committee (NSC) to secure decisions and drive implementation.	A focused NSC agenda, with clear decision making and management processes and effective implementation of decisions.	Achieved	120

GOVERNING WELL				
NO.	KEY ACTIVITY	MEASURE	RESULT	PAGE NUMBER
5.1	Ensure a strategic focus to the Government's legislative program.	The whole-of-government legislation program is delivered in accordance with the Government's strategic priorities.	Achieved	124
5.2	Enhance and modernise Cabinet processes through delivery of the CabNet+ project.	The new CabNet+ system supports ministers and departments to operate more efficiently and effectively.	Achieved	125

GOVERNING WELL				
NO.	KEY ACTIVITY	MEASURE	RESULT	PAGE NUMBER
5.3	Provide expert advice to the Prime Minister and the Cabinet, portfolio ministers, PM&C and other APS agencies on governance matters relating to the operation of the executive branch of Government.	High-quality expert advice is provided to the Prime Minister on governance matters.	Achieved	127
5.4	Provide clear and actionable advice on whole-of-government legal risk.	Significant legal matters and associated risks are identified and coordinated with the Attorney-General's Department. The Prime Minister and his Office have timely and comprehensive visibility of whole-of-government legal risks as they emerge.	Achieved	129
5.5	Increase awareness of Australia's honours system.	Public awareness of honours system is increased through social and traditional media campaigns, focusing on those segments of society which are underrepresented in awards.	Achieved	130
5.6	Ensure the Department has a high-performance culture underpinned by a strengths-based approach to performance.	PM&C staff provide high-quality outcomes and support. Performance is assessed on delivery of outcomes along with PM&C specific capabilities and behaviours.	Partially achieved	132

GOVERNING WELL				
NO.	KEY ACTIVITY	MEASURE	RESULT	PAGE NUMBER
5.7	Advance Australia's interests through effective and well-executed programs for the Prime Minister's overseas engagements and for incoming visits by Heads of State and Government.	PM&C coordinates and delivers high-quality operational support for the Prime Minister's official overseas engagements and for Guests of Government.	Achieved	133
5.8	Use technology and automation to streamline Ministerial support services.	Timely registration of ministerial correspondence.	Achieved	138
		Provision of timely high-quality speechwriting.	Achieved	138
		Provision of timely high-quality meeting support.	Achieved	139

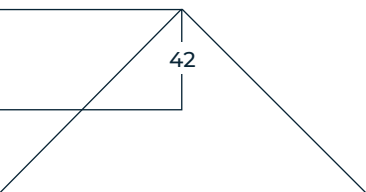
GOVERNING WELL				
NO.	KEY ACTIVITY	MEASURE	RESULT	PAGE NUMBER
5.9	Provide leadership to the APS on designing, delivering and scaling policies and services using innovative and rigorous tools including data, digitisation and behavioural insights.	PM&C enables whole-of-government collaboration to facilitate good policy development and better service delivery, including by using integrated data through the Data Integration Partnership for Australia (DIPA).	Achieved	143
		Behavioural Economics Team of the Australian Government (BETA) continues to contribute to the delivery of the Government's key priorities through the application of behavioural economics and rigorous evaluation.	Partially achieved	144
5.10	Establish an effective public data sharing framework through the work of the Office of the National Data Commissioner.	The Office of the National Data Commissioner leads reforms to improve data sharing and use across the APS.	On track	147
5.11	Deliver high-quality and regular updates to the Prime Minister on implementation of key priorities across Government.	Regular and high-quality updates are provided to the Prime Minister on the delivery of key priorities.	Achieved	149



1

PURPOSE 1

Creating
economic
growth
and jobs



Analysis

The 2019–20 reporting period is best described as a story of two halves. In the first six months, Australia experienced remnants of drought and floods together with the onset of devastating fires. In the second six months—from the end of 2019 to the end of the reporting period—the intensity of the Australian bushfires was immediately followed by the COVID-19 pandemic and the efforts to contain it.

PM&C assisted in the delivery of the Government's key measures to bolster Australia's economic recovery by providing timely and high-quality advice on economic policy. In addition, this year PM&C met the challenge to pivot in response to national and global crises, playing a critical role in supporting the Government through crisis management efforts, economic stimulus and recovery.

In 2019–20, PM&C:

- led the federal response to the Australian bushfires and established the National Bushfire Recovery Agency (NBRA)
- worked closely with Commonwealth agencies to implement economic measures in response to the immediate impact of COVID-19
- advised on the prioritisation of key infrastructure projects
- led the Digital Technologies Taskforce to introduce an APS-enterprise approach for digital policy development
- advised COAG and National Cabinet on vocational education and training (VET) reforms.

We were instrumental in convening strategic engagements between senior officials, with the Commonwealth and with all states and territories. This extensive engagement supported the design of various small business support measures that were announced during the bushfire crisis; the establishment of the Royal Commission into National Natural Disaster Arrangements; and agreement at COAG in March to a range of emergency management projects.

From early 2020, social distancing, quarantine and lockdown measures were introduced across Australia—first, to ensure the capacity and capability of the health system; and, second, to combat the spread of COVID-19. The impacts resulting from COVID-19 restrictions led domestic and global economies to suffer from one of the largest economic shocks since the Great Depression. PM&C worked closely with the Department of the Treasury, the Australian Tax Office, the Attorney-General's Department, the Department of Social Services and Services Australia to implement largely temporary social security, tax, superannuation and industrial relations measures designed to cushion the immediate economic impact of the COVID-19 pandemic. Collaboration and quality advice were critical in the rapid rollout of two rounds of the \$750 Economic Support Payment and the \$500 Coronavirus Supplement to the JobSeeker Payment through the welfare system, and JobKeeper Payment through the tax system. The Department also advised on business investment support, measures for the early release of superannuation for individuals, and the variation of award rates and targeted relief for affected industries.

Infrastructure investment is central to the Government's strategy to deliver sustainable economic growth and job creation. Substantial progress was made this year towards key projects such as completing Pacific Highway upgrades, delivering Inland Rail and Perth's MetroNet and commencing major earthworks on the Western Sydney International (Nancy-Bird Walton) Airport.

PM&C also co-led the Deregulation Taskforce with the Treasury, to address regulatory congestion and modernise the way businesses interact with government. This included delivering the Government's 2019–20 Mid-Year Economic and Fiscal Outlook (MYEFO) deregulation package, which contained reforms to:

- reduce regulatory burden for food manufacturers with an initial focus on exporting
- make it easier for sole traders and micro businesses to become first-time employers
- get beneficial major projects up and running sooner.

We achieved nine out of 11 performance measures under this purpose. One measure is partially achieved and we are on track to deliver against another measure over the life of the Corporate Plan.

In 2019–20, against a backdrop of constant change, negative economic outcomes and crisis, PM&C effectively pivoted to support the Government's key economic priorities.

Results: Key Activity 1.1

KEY ACTIVITY	MEASURE	TARGET
Work to apply economic frameworks to complex policy problems so sustainable policy solutions are developed for the Government, to identify options to enhance the productivity of domestic businesses and to foster internationally competitive industries.	The Prime Minister, the Cabinet, responsible ministers and agencies receive high-quality and coordinated advice to inform policy development and support the implementation of the Government's key priorities and activities.	Quality of advice received supports the Prime Minister in coordinating and implementing these policies and programs. The advice considers the views of all relevant stakeholders, including industry, Aboriginal and Torres Strait Islander peoples, and the states and territories.
Source	Corporate Plan 2019–2023, pp. 7–8	
Result	Achieved	
Methodology	Evaluation through case study	
Analysis	<p>In 2019–20, PM&C provided rigorous economic advice on the operation of markets, the identification of market failures, and the design and impact of sustainable policy solutions across a range of markets and policy areas, to ensure their effectiveness.</p> <p>PM&C's achievements against this measure</p> <p>PM&C played an instrumental role in the design of the Government's response to the 2019–2020 bushfire crisis. (Refer to the following case study). PM&C brought together key stakeholders across the Commonwealth to provide coordinated advice in developing bushfire support packages.</p> <p>PM&C collaborated across the APS to advise on and support the Government's response to the COVID-19 pandemic, including two rounds of the Economic Support Payment, the Coronavirus Supplement to the JobSeeker Payment, and the JobKeeper payment.</p>	



DEVELOPING A PROGRAM OF FINANCIAL ASSISTANCE FOR RECOVERY FROM THE 2019–2020 BUSHFIRES

CASE STUDY

In the summer of 2019–2020, Australia faced bushfires that were unequalled in their extent, involving every Australian state and territory. By the time the bushfires were brought under control, they had razed over 10 million hectares of land, claimed the lives of 33 people and destroyed over 3,000 homes and many businesses, devastating local communities.

The scale of the disaster demanded an unparalleled response from all levels of government.

To assist those who had lost incomes and property as a result of the bushfires, the Government put together several targeted financial and other support packages.

In developing the support packages, PM&C brought together, and worked with, relevant Commonwealth, state, territory and local government agencies and other stakeholders to enable local solutions. PM&C also assisted in ensuring options brought forward to the Cabinet were consistent with frameworks that support sound policy design, including the Disaster Recovery Funding Arrangements, and could be implemented and administered in a timely way (including by the relevant state agencies). This work helped ensure that the Prime Minister and the Cabinet were in a position to make informed decisions.

PM&C established the National Bushfire Recovery Agency (NBRA)—an operationally independent unit within the Department—to lead and coordinate a national response to the bushfires, including oversight of more than \$2 billion provided for the National Bushfire Recovery Fund. The funding provides for a number of measures to support individuals, families, and businesses, including targeted assistance for small businesses and primary producers. This money supported bushfire-affected communities to restore their local communities, with support from the NBRA and state and local partners.

More about the National Bushfire Recovery Fund, including take-up of assistance, is available at www.bushfirerecovery.gov.au/progress-to-date/funding

Results: Key Activity 1.2

KEY ACTIVITY	MEASURE	TARGET
Lead the Digital Technologies Taskforce to coordinate and drive the Government's policies on digital technologies.	The Prime Minister, the Cabinet, responsible ministers and agencies receive high-quality and coordinated advice to inform policy development and support the implementation of the Government's key priorities and activities.	Quality of advice received supports the Prime Minister in coordinating and implementing these policies and programs. The advice considers the views of all relevant stakeholders, including industry, Aboriginal and Torres Strait Islander peoples, and the states and territories.
Source	Corporate Plan 2019–2023, pp. 7–8	
Result	On track	
Methodology	Evaluation through case study	
Analysis	<p>In 2019–20, PM&C established and led the Prime Minister's Digital Technology Taskforce.</p> <p>PM&C's achievements against this measure</p> <p>PM&C worked with the Digital Experts Advisory Committee to identify options to support the acceleration of Australia's transition to a leading digital economy.</p> <p>The Department provided the Prime Minister and relevant ministers with advice, proposals and support for informed decisions on key digital technology priorities.</p> <p>PM&C consulted with key stakeholders including Government and the private sector to coordinate and develop digital policy. (Refer to following case study).</p>	

CASE STUDY

Australia as a leading digital economy and society by 2030

The growing global digital economy is changing the way people all over the world live and do business. Over coming decades it will transform important sectors of the world economy, including banking, retail and education. The Government aims to ensure that Australia can participate in this expansion to the fullest extent and become a leading digital economy and society by 2030.

For this reason, in November 2019, the Prime Minister established a Digital Technology Taskforce within and led by PM&C. The Taskforce brought together the Attorney-General's Department; Department of Education, Skills and Employment; Department of Home Affairs; Department of Industry, Science, Energy and Resources; Department of Infrastructure, Transport, Regional Development and Communications; and Department of the Treasury—agencies that have a significant role in developing the digital economy for Australia.

The Prime Minister asked the Taskforce to advise on a range of issues, including:

- how the digital landscape is changing
- what trade opportunities are available to Australia as a result of the digital economy
- how to encourage the uptake of digital technology across the Australian economy
- what skills Australians will need and how those skills can be developed
- what online safety issues are at play
- what infrastructure will support the use of digital technology.

The Taskforce consulted with Government and private sector stakeholders to coordinate the approach to digital policy development.

Digital technology policy is part of the work of most, if not all, Australian Government agencies. The Taskforce brought together agencies to provide an APS-enterprise approach and to push on strategies and initiatives to embed the uptake of digital technology. The approach aimed to build businesses and support learning and community engagement across the Australian economy.

The COVID-19 pandemic further highlighted the importance, and risks, of digital technology as an economic enabler. The COVID-19 quarantine measures resulted in rapid, widespread and increased use of digital tools by households and businesses.

The Taskforce sought to build on this momentum and accelerate the Australian economy's digital transformation, while emphasising cyber-safety, to ensure resilience, recovery, job creation and longer term prosperity for individuals and businesses in Australia.

As part of its work, the Taskforce supported the Prime Minister and other relevant ministers by providing high-quality briefings, coordinating advice and proposals, and working across with other agencies to deliver whole-of-government strategic approaches to digital technology policy and proposals.

Results: Key Activity 1.3

KEY ACTIVITY	MEASURE	TARGET
Work with other Commonwealth agencies to provide holistic and timely advice on the Government's \$100 billion, 10-year infrastructure pipeline, including the delivery of priority projects such as the Western Sydney Airport, Inland Rail and Snowy Hydro 2.0.	The Prime Minister, the Cabinet, responsible ministers and agencies receive high-quality and coordinated advice to inform policy development and support the implementation of the Government's key priorities and activities.	Quality of advice received supports the Prime Minister in coordinating and implementing these policies and programs. The advice considers the views of all relevant stakeholders, including industry, Aboriginal and Torres Strait Islander peoples, and the states and territories.
Source	Corporate Plan 2019–2023, pp. 7–8	
Result	Achieved	
Methodology	Evaluation through case study	
Analysis	<p>In 2019–20, PM&C worked closely with the Department of Infrastructure, Transport, Regional Development and Communications (DITRDC) and relevant statutory agencies to drive a range of infrastructure projects.</p> <p>PM&C's achievements against this measure</p> <p>PM&C provided advice to DITRDC and relevant statutory agencies to enable progression of infrastructure projects, including facilitating engagement with the Prime Minister's Office where relevant, coordinating and assisting progress of decisions through the Cabinet process.</p> <p>PM&C supported the COVID-19 economic recovery efforts by coordinating and contributing to prioritisation of accelerated commencement of infrastructure projects to deliver local jobs and boost economic activity. (Refer to the following case study).</p>	

CASE STUDY

Faster and safer transport—connecting people, goods and services

Infrastructure investment is central to the Government's strategy to reduce road congestion, improve road safety, meet the national freight challenge and transform Australia's economy. Better infrastructure improves national connectivity, creates jobs and increases economic growth.

The Government is investing more than \$100 billion in its Infrastructure Investment Program—a 10-year investment in transport infrastructure. The Government's transport investments span everything from major projects, such as the construction of the Western Sydney International (Nancy-Bird Walton) Airport and the associated metro link, to small road safety projects that protect and save lives.

Substantial progress was made this year towards key projects such as completing Pacific Highway upgrades and delivering Inland Rail and Perth's MetroNet.

Major earthworks commenced on the Western Sydney International (Nancy-Bird Walton) Airport; and the Prime Minister and New South Wales Premier reached an agreement to deliver the accompanying metro link in 2026.

In addition, since 2019–20 MYEFO, the Prime Minister announced the accelerated delivery of \$9.3 billion in projects that will support the Australian economy's recovery from the COVID-19 pandemic. This coordinated and targeted infrastructure investment will boost economic recovery by creating jobs and strengthening economic confidence.

The Cabinet played a critical role in selecting projects the Commonwealth will invest in, along with the states and territories; and PM&C supported both the Cabinet and the Prime Minister in their decision making.

The Government's \$100 billion Infrastructure Investment Program can only be realised with constructive collaboration between Commonwealth agencies and jurisdictions. PM&C worked closely with the Department and relevant statutory agencies to support delivery and acceleration of the Government's infrastructure commitments; and we played a central role in bringing together public and private sector perspectives in support of the Prime Minister's infrastructure agenda.

Results: Key Activity 1.4

KEY ACTIVITY	MEASURE	TARGET
Support the Prime Minister, responsible ministers and agencies to deliver the National Vision for Vocational Education and Training.	The Prime Minister, the Cabinet, responsible ministers and agencies receive high-quality and coordinated advice to inform policy development and support the implementation of the Government's key priorities and activities.	Quality of advice received supports the Prime Minister in coordinating and implementing these policies and programs. The advice considers the views of all relevant stakeholders, including industry, Aboriginal and Torres Strait Islander peoples, and the states and territories.
Source	Corporate Plan 2019–2023, pp. 7–8	
Result	Achieved	
Methodology	Evaluation through case study	
Analysis	<p>In 2019–20, PM&C provided high-quality, whole-of-government advice to the Prime Minister. The COVID-19 pandemic further highlighted the need for a responsive vocational education and training (VET) system. National Cabinet agreed to progress skills reform as a key priority for job creation.</p> <p>PM&C's achievements against this measure</p> <p>PM&C supported new skills funding agreements as part of the COVID-19 economic recovery.</p> <p>The Department advised on establishing the National Skills Commission and National Careers Institute.</p> <p>PM&C assisted the development and delivery of the \$80 million Infection Control Training Fund.</p> <p>PM&C's quality advice and coordination assisted Commonwealth and state and territory governments to reach consensus on a National Vision for Vocational Education and Training. (Refer to the following case study).</p>	

CASE STUDY

Skills reform

In August 2019, the Council of Australian Governments (COAG) agreed on a National Vision for Vocational Education and Training (National Vision) as a 'responsive, dynamic and trusted' sector.

Skills reform that delivers on the National Vision will ensure that Australians have access to education and training that meets industry needs and enables them to secure in-demand jobs. The Australian Government is working with the states and territories to achieve this vision, including through the National Cabinet.

PM&C provided timely, whole-of-government briefings to the Prime Minister and the Cabinet to support the delivery of skills reform. This included providing advice:

- to support the Prime Minister at the COAG meetings in August 2019, when the National Vision was agreed; and in March 2020, when leaders agreed on reform priorities
- on establishing the National Skills Commission and National Careers Institute as key features of a reformed vocational education and training (VET) system
- on new skills funding agreements with the states and territories to support the COVID-19 recovery and prepare the ground for revised VET funding arrangements.

Our advice enabled the Prime Minister to work with the states and territories on an ambitious skills reform agenda, initially through COAG and later through the National Cabinet.

The \$80 million Infection Control Training Fund (which all jurisdictions signed up to in June 2020) is an example of how national collaboration on a responsive skills system can benefit the community. The fund is delivering around 80,000 subsidised short courses to support the safe reopening of businesses in a post-COVID-19 environment.

The Government has laid the groundwork for reform with the establishment of the National Skills Commission and National Careers Institute. Initial consensus on skills reform at the then COAG laid the foundation for further progress through National Cabinet.

Skills reform is a key part of the Government's JobMaker plan—it will ensure Australia has a trained workforce ready with skills matched to industry needs. A VET system that is responsive, dynamic and trusted will be critical in supporting Australia to recover from the economic impacts of the COVID-19 pandemic.



Results: Key Activity 1.5

KEY ACTIVITY	MEASURE	TARGET
Support the Government in the implementation of its refreshed deregulation agenda, including through co-leading, with Treasury, the Deregulation Taskforce.	The Prime Minister, the Cabinet, responsible ministers and agencies receive high-quality and coordinated advice to inform policy development and support the implementation of the Government's key priorities and activities.	Quality of advice received supports the Prime Minister in coordinating and implementing these policies and programs. The advice considers the views of all relevant stakeholders, including industry, Aboriginal and Torres Strait Islander peoples, and the states and territories.
Source	Corporate Plan 2019–2023, pp. 7–8	
Result	Achieved	
Methodology	Evaluation through stakeholder survey	
Analysis	<p>In 2019–20, PM&C supported the Government to deliver its deregulation agenda.</p> <p>PM&C's achievements against this measure</p> <p>PM&C co-led the Deregulation Taskforce to deliver the Government's 2019–20 Mid-Year Economic and Fiscal Outlook (MYEFO) deregulation package (see the Purpose 1 analysis on pages 43–44 for more information about the reforms). The Department continued to design and implement the Government's new whole-of-government deregulation agenda, with a focus on regulatory stewardship.</p> <p>Stakeholder survey results were very positive, with stakeholders rating PM&C's role in supporting the Government to deliver its deregulation agenda as being effective.</p>	

Results: Key Activity 1.6

KEY ACTIVITY	MEASURE	TARGET
Support the Government to implement its priorities in industrial relations, tax, transfers and superannuation policy, including through the Retirement Income Review.	The Prime Minister, the Cabinet, responsible ministers and agencies receive high-quality and coordinated advice to inform policy development and support the implementation of the Government's key priorities and activities.	Quality of advice received supports the Prime Minister in coordinating and implementing these policies and programs. The advice considers the views of all relevant stakeholders, including industry, Aboriginal and Torres Strait Islander peoples, and the states and territories.
Source	Corporate Plan 2019–2023, pp. 7–8	
Result	Achieved	
Methodology	Evaluation through case study	
Analysis	<p>In 2019–20, PM&C provided advice to the Prime Minister and Cabinet that contributed to decision making and worked closely with partner agencies to support the delivery of priorities.</p> <p>PM&C's achievements against this measure</p> <p>The Department supported the Government's implementation of the recommendations of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry (Financial Services Royal Commission). The Government has now implemented 24 commitments and substantially progressed a further 35. (Refer to the following case study).</p> <p>PM&C advised on support for small businesses affected by bushfires.</p> <p>As Government priorities shifted as a result of the 2019–2020 bushfires and the COVID-19 pandemic, PM&C continued to deliver informed advice in consultation with partner agencies and external stakeholders.</p>	

CASE STUDY

Implementing the recommendations of the Financial Services Royal Commission

The Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry (Financial Services Royal Commission) was established in December 2017 to investigate misconduct in the banking, superannuation and financial services industry. It found that industry participants had engaged in often illegal conduct that caused substantial loss to many customers but yielded substantial profit to those in the industry. The Royal Commission's final report was presented to the Governor-General on 1 February 2019.

The Royal Commission identified serious shortcomings in the banking, superannuation and financial services industry. Timely implementation of the Government's response is important for restoring trust in Australia's financial sector and ensuring vulnerable consumers will not be exploited.

On 4 February 2019, the Government announced its response to the Royal Commission's report. In August 2019, it established an ambitious implementation roadmap to progress reforms arising from the Royal Commission's recommendations.

PM&C supported the Government to implement its response to the Royal Commission. The Government has now implemented 24 commitments it made in its response and has substantially progressed a further 35 through consultation and the preparation of draft legislation. The COVID-19 pandemic has caused an unavoidable six-month delay to implementation, but work is progressing and we are currently on track to meet these new time frames.

PM&C's work included responding to policy authority questions in a timely and accurate manner, seconding staff to Treasury to coordinate our approach to policy development, and continuously engaging across the broader public service to ensure reforms were on track. PM&C reviewed draft legislation prior to introduction, to ensure that the measures were being implemented in a way that was consistent with the agreed Government position.

The reforms will deliver a financial system that better serves the needs of the public and protects vulnerable consumers. Ultimately, it will lead to restored trust in Australia's financial sector, which is essential to people's wellbeing and a productive economy. The timely implementation of the Royal Commission's recommendations demonstrates the commitment the Prime Minister and the Government have made to reform the sector.

Results: Key Activity 1.7

KEY ACTIVITY	MEASURE	TARGET
Work with central agencies to support the Prime Minister in the Budget process, including whole-of-government advice on new policy proposals considered by the Expenditure Review Committee.	Support the Expenditure Review Committee in decision making and assist the Government to deliver on its fiscal strategy.	Quality of advice received supports the Expenditure Review Committee in its decision making and assists the Government to deliver on its fiscal strategy.
Source	Corporate Plan 2019–2023, pp. 7–8	
Result	Achieved	
Methodology	Evaluation through stakeholder survey	
Analysis	<p>In the 2019–20, PM&C supported the Prime Minister in the Budget process. Stakeholder survey results were positive, with stakeholders indicating that PM&C had been effective in bringing together a whole-of-government perspective, adding value to the development of policy and achieving outcomes for this key activity.</p> <p>PM&C’s achievements against this measure</p> <p>PM&C supported the Prime Minister and the Expenditure Review Committee of Cabinet to quickly respond to the 2019–2020 bushfires, including by assisting with the establishment of the \$2 billion National Bushfire Recovery Fund.</p> <p>The Department assisted the development of around \$289 billion in fiscal and balance sheet support for the economic response to COVID-19, which complemented support provided for the health response.</p> <p>PM&C worked closely with other central agencies to set the strategic direction of the Government’s new fiscal strategy and recovery pathway from the July Economic and Fiscal Update to the October 2020–21 Budget (postponed from May 2020).</p>	

Results: Key Activity 1.8

KEY ACTIVITY	MEASURE	TARGET
Support the Prime Minister in achieving the Government's strategic priorities in areas that require Commonwealth-State cooperation.	Assist COAG to deliver on its priorities by ensuring good governance of the COAG system.	Quality of advice received supports good governance of the COAG system.
Source	Corporate Plan 2019–2023, pp. 7–8	
Result	Achieved	
Methodology	Evaluation through case study	
Analysis	<p>In 2019–20, PM&C supported the Prime Minister in achieving the Government's strategic priorities in areas that required Commonwealth–State cooperation.</p> <p>PM&C's achievements against this measure</p> <p>PM&C organised and supported the Prime Minister to chair two COAG meetings at which leaders agreed on important national reforms, including the export ban of certain waste products. PM&C convened high-level meetings between senior leaders in response to the bushfires, facilitating direct briefings from the NBRA to inform decision making. (Refer to the following case study).</p> <p>The Department supported the Prime Minister and leaders to establish a new intergovernmental forum, initially intended to coordinate the Commonwealth Government and state and territory governments' responses to the COVID-19 pandemic—the National Cabinet.</p> <p>PM&C supported the Prime Minister to chair 22 meetings of the National Cabinet between 15 March and 30 June 2020.</p> <p>For more information on our role and effectiveness, see the case studies for key activities 4.2 and 4.4.</p>	

CASE STUDY

Engaging with states and territories in response to the 2019–2020 bushfires

The 2019–2020 bushfires had exceptionally severe impacts on communities across Australia.

The National Bushfire Recovery Agency (NBRA) was established within PM&C in early January 2020 in response to the sheer scope of the devastation across multiple states and the scale of recovery effort needed. The role of the NBRA was to help people to access support across governments and recover from these devastating fires; and to coordinate a national bushfire recovery response.

Between January and March 2020, PM&C convened a number of high-level meetings between Commonwealth, state and territory senior officials to coordinate the bushfire response. At the meetings, senior officials closely monitored the bushfire crisis and the evolving needs of governments and communities. They were briefed directly by operational experts and staff from the newly established NBRA.

As a result of the meetings and other ad-hoc bilateral engagement, senior officials were able to exchange information regularly and narrow the range of matters to be considered by First Ministers at a COAG meeting on 13 March 2020.

First Ministers considered the recovery from the bushfires as a matter of priority. They agreed that the NBRA would work with all jurisdictions to coordinate the delivery of a national plan for bushfire recovery, complement state recovery plans, and support locally led efforts consistent with the National Principles for Disaster Recovery. They also agreed that local economic recovery for the regions most affected by the bushfires would be part of a national approach and that this would be jointly led by impacted states and the NBRA.

Recognising that consultation and collaboration with stakeholders and affected communities is critical to successful and enduring recovery, the NBRA collaborates with all levels of government, the private sector and charities.

The NBRA established a range of forums to facilitate coordination, consultation and collaboration. For example, it set up state and federal bushfire recovery groups to coordinate and optimise recovery efforts between state, territory and federal recovery agencies.

PM&C successfully leveraged existing relationships and forums to coordinate APS-enterprise and Commonwealth–State efforts in a crisis. The step-up in engagement was pivotal to the handling of the COVID-19 pandemic when it arose later in 2020.

Results: Key Activity 1.9

KEY ACTIVITY	MEASURE	TARGET
Support the Prime Minister to represent Australia in the G20 and other international forums to drive international cooperation and advance Australia's national interests.	Support the Government to develop and prosecute its trade, foreign investment, and G20 objectives.	Quality of advice received supports the Government in developing and prosecuting its trade, foreign investment, and G20 objectives, while protecting Australia's national interests.
Source	Corporate Plan 2019–2023, pp. 7–8	
Result	Achieved	
Methodology	Evaluation through case study	
Analysis	<p>In 2019–20, PM&C helped secure Australia's interests by providing high-quality policy advice and coordination.</p> <p>PM&C's achievements against this measure</p> <p>PM&C provided advice that shaped the G20's COVID-19 response, through negotiation of the G20 Leaders' Statement and through the Prime Minister's strong intervention during the Extraordinary G20 Leaders' Summit. (Refer to the following case study).</p>	

CASE STUDY

Extraordinary G20 Leaders' Statement on COVID-19

On 26 March 2020, G20 leaders convened for a virtual Extraordinary G20 Leaders' Summit to agree on a coordinated response to the COVID-19 pandemic. A G20 Leaders' Statement was successfully negotiated and released following the Summit. The statement committed leaders to unite against the COVID-19 twin health and economic crises.

PM&C had an important role in negotiating Australia's position during the Summit so that it would be strongly reflected in the resulting Leaders' Statement. PM&C's negotiations helped deliver the Government's intent, which was to have the Leaders' Statement reflect Australia's international health and economic COVID-19 response priorities, including support for vulnerable countries in our region and for a strong multilateral system.

We began by identifying Australia's strategic priorities and then using them as an anchor for our negotiating position in a highly fluid and fast-moving environment. PM&C's negotiation on the Leaders' Statement supported the Prime Minister's influential participation in the virtual Summit and helped to progress his COVID-19 priorities.

The agreed outcomes in the Leaders' Statement reinforced support for multilateralism, open markets and the rules-based order—all things that underpin Australia's national prosperity. Language in the Leaders' Statement on supporting small island states demonstrated Australia's commitment to our Indo-Pacific family and regional stability.

PM&C's part in the virtual negotiation process included:

- coordinating Australian Government positions (within PM&C and across government agencies)
- consulting other member countries to identify and advance areas of mutual interest
- commenting on presidency drafts to shape the outcomes
- participating in a virtual sherpa meeting.

The G20 Leaders' Statement helped advance Australia's national interests and drive international cooperation in the midst of the pandemic, signalling that the Prime Minister and global leaders were united and willing to do whatever it took to combat COVID-19.

Results: Key Activity 1.10

KEY ACTIVITY	MEASURE	TARGET	RESULT	ANALYSIS
<p>Work as early as possible with agencies to identify policy problems and articulate the costs and benefits of all options where there may be major impacts on businesses or citizens.</p>	<p>Ensure Government decisions are fully informed of the direct impacts of major policy proposals using evidence and the input of affected stakeholders.</p>	<p>Increase the share of impact analysis considered Best Practice from 2018–19.</p>	<p>Partially achieved</p>	<p>In 2019–20, PM&C worked with agencies to identify policy problems and articulate the costs and benefits of all options to ensure Government decisions are fully informed of the direct impact of major policy proposals.</p> <p>PM&C's achievements against this measure</p> <p>In 2019–20, 31 per cent of Regulation Impact Statements (RISs) that were finalised and released by the Office of Best Practice Regulation (OBPR) within PM&C were considered best practice.</p> <p>Due to a number of factors, predominately COVID-19, the number of RISs considered best practice was lower in 2019–20 compared with the 2018–19 reporting period. A key factor that contributed to this result was the realignment of priorities across APS agencies in response to the COVID-19 pandemic and the 2019–2020 bushfires, which impacted on the material coming forward for analysis.</p> <p>Additionally, in March 2020, PM&C released the updated <i>Australian Government Guide to Regulatory Impact Analysis</i>. This was accompanied by an increased focus by OBPR on lifting the quality of advice provided to Government and adjusting the criteria for best practice analysis.</p>

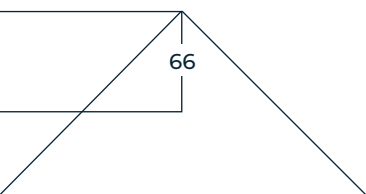
KEY ACTIVITY	MEASURE	TARGET	RESULT	ANALYSIS
		Increase the number of hours of structured impact analysis training delivered across the APS from 2018–19.	Achieved	In 2019–20, OBPR delivered more than 2,254 hours of capacity building training to APS staff from 12 out of the 14 portfolio departments. The number of training hours from the 2019–20 reporting will establish the benchmark for future reporting periods. This is in addition to emails, calls, meetings and discussions that provide agencies with the support and skills to produce high-quality impact analysis.
Source	Corporate Plan 2019–2023, pp. 7–8			
Methodology	OBPR assesses all Regulation Impact Statements done by agencies to inform major decisions of Government. Each RIS is eventually released, when a policy decision is made and announced by Government. All such RISs are available at https://ris.pmc.gov.au/ and reports on overall numbers and figures are available at https://www.pmc.gov.au/regulation/compliance-reporting/aust-govt			



2

PURPOSE 2

Delivering
for regional
Australia
and the
environment



Analysis

In 2019–20, regional Australia was exposed to a number of acute stresses, including drought, floods, bushfires and economic and social disruption as a result of the COVID-19 pandemic. PM&C played a vital role in the rapid responses to these challenges and the delivery of tailored support to regional communities.

PM&C assisted in the development of the Government's Drought Response, Resilience and Preparedness Plan, launched in November 2019. The Department provided timely and practical advice to the Prime Minister and the Cabinet on supporting communities in regional Australia affected by drought and building resilience and prepare for future droughts.

Effective and sustainable water policy continued to be a priority for the Prime Minister and the Cabinet. PM&C established the National Water Grid Authority on 1 October 2019. The Department worked in partnership with the Authority to establish the National Water Grid Advisory Body and progressed development of the investment framework to guide the Commonwealth's future water infrastructure investments.

The Australian bushfires of 2019–2020 devastated vast regions across rural and regional Australia. On 6 January 2020, the Prime Minister established the National Bushfire Recovery Agency (NBRA) within PM&C.

The NBRA focused on connecting people, communities, primary producers and businesses with the services and assistance they need, to rebuild and recover. It is responsible for coordinating the National Bushfire Recovery Fund to support recovery efforts across Australia.

The COVID-19 pandemic compounded existing challenges faced by communities affected by bushfire and drought. The ensuing global economic downturn put further pressure on regional Australia as farmers and communities responded to a shift in demand for Australian produce and exports. PM&C collaborated effectively with industry and governments to introduce measures for economic support and post-pandemic recovery.

In 2019–20, PM&C achieved its purpose of delivering for regional Australia and the environment. We achieved all five performance measures under this purpose. Achievement of Purpose 2 is supported by evaluation through case studies and results presented for each activity.

Results: Key Activity 2.1

KEY ACTIVITY	MEASURE	TARGET
Through our role co-leading the National Waste and Recycling Taskforce, work to give effect to the COAG commitment to establish a timetable to ban the export of waste plastic, paper, glass and tyres, while building Australia’s capacity to generate high-value recycled commodities and associated demand.	PM&C provides advice and practical recommendations to assist the Prime Minister in building consensus through COAG to implement, monitor and enforce an export ban on waste plastic, glass and tyres.	Quality of advice received supports the Prime Minister in his leadership role, as Chair of COAG, to shift the underlying economic and regulatory barriers to waste avoidance, reuse and recycling.
Source	Corporate Plan 2019–2023, pp. 9–10	
Result	Achieved	
Methodology	Evaluation through case study	
Analysis	<p>In 2019–20, PM&C co-led the National Waste and Recycling Taskforce to support COAG and the Government’s commitment to implement a waste export ban. The Department provided quality advice on policy, procurement, research and data on recycling infrastructure.</p> <p>PM&C’s achievements against this measure</p> <p>PM&C played an instrumental role in supporting the Prime Minister in his leadership role as Chair of COAG to develop an export ban timetable on waste plastic, glass and tyres. PM&C provided coordinated advice and practical recommendations and supported state and territory governments’ response strategy in COAG.</p> <p>PM&C supported the Prime Minister by providing quality advice on the underlying economic and regulatory issues relating to waste and recycling—for example, to support the \$190 million Recycling Modernisation Fund for investment in recycling and re-manufacturing infrastructure. (Refer to the following case study).</p>	

CASE STUDY

Driving waste and recycling outcomes through COAG

On 9 August 2019, the Council of Australian Governments (COAG) agreed to establish a timetable to ban the export of waste plastic, paper, glass and tyres, while building Australia's capacity to generate high-value recycled commodities and associated demand.

By banning waste exports, Australia took responsibility for managing our waste. Leaders agreed to support industry to increase domestic re-processing capacity, which will help to create jobs while diverting waste flows from landfill and the environment.

PM&C played a central role in supporting the Prime Minister to settle the timetable for the ban and governments' coordinated response strategy at the COAG meeting on 13 March 2020.

PM&C co-led a cross-agency taskforce with the Department of Agriculture, Water and the Environment, drawing on expertise to develop cross-portfolio policy initiatives to implement the ban and support Australian industry through the transition phase. PM&C deployed Project Office staff to the taskforce to provide technical support on structured policy analysis and project planning. The Department also provided expertise in inter-jurisdictional collaboration.

In addition, PM&C provided high-quality advice to the Prime Minister, his office and senior officials on policy options to help increase capacity and demand for recycled products. PM&C used cross-portfolio policy levers, such as procurement, research and data, to support the Government's waste and recycling objectives and identify the most impactful response initiatives. These initiatives include the \$190 million Recycling Modernisation Fund to support innovative investment in new infrastructure to sort, process and re-manufacture materials; \$24.6 million to improve national waste data; and making recycled products a focus of government procurement. PM&C played a key role, working with the taskforce to build on previous inter-jurisdictional work on the National Waste Policy Action Plan.

PM&C continues working with the taskforce to improve regulatory arrangements to incentivise better waste management and recycling practices and to develop the legislative framework to implement the first phase of the ban (glass) by 1 January 2021.

Results: Key Activity 2.2

KEY ACTIVITY	MEASURE	TARGET
Continue to support Commonwealth agencies to deliver the Government’s water infrastructure priorities, which aim to provide regional communities, farmers and industries with more secure, reliable and cost-effective water supplies.	The Prime Minister, the Cabinet, responsible ministers and agencies receive coordinated advice to inform policy development and support the implementation of the Government’s key priorities and activities.	Quality of advice received supports the Prime Minister in coordinating and implementing these policies and programs. The advice considers the views of all relevant stakeholders, including industry, Aboriginal and Torres Strait Islander peoples, and the states and territories.
Source	Corporate Plan 2019–2023, pp. 9–10	
Result	Achieved	
Methodology	Evaluation through case study	
Analysis	<p>In 2019–20, PM&C provided quality advice to support Commonwealth agencies to better deliver water infrastructure initiatives to support regional communities, farmers and industries.</p> <p>PM&C’s achievements against this measure</p> <p>PM&C played a vital role in the establishment of the National Water Grid Authority, delivering on the Government’s commitment. PM&C provided coordinated policy and governance advice and consulted all relevant stakeholders on their views, including from agriculture, environment, Indigenous Australians and regional communities.</p> <p>PM&C provided high-quality and coordinated advice to the National Water Grid Authority to support the Government to implement its commitment to invest in water infrastructure projects totalling over \$630 million. (Refer to the following case study).</p>	

CASE STUDY

Helping to deliver water infrastructure priorities

On 1 October 2019, the Government established the National Water Grid Authority, which guided the strategic planning and management for national water infrastructure policy and investment and led the development of a National Water Grid—a series of region-specific systems that help secure reliable supplies of water. The new authority developed partnerships with the states and territories, to support a more integrated approach to water infrastructure and ensure the best available science is used to assess water infrastructure projects.

PM&C delivered the Government's commitment to establish the National Water Grid Authority by advising the Prime Minister and the Cabinet on options to give effect to the commitment, including governance arrangements and risks associated with implementation. We worked in partnership with the authority to establish the National Water Grid Advisory Body and progress development of the investment framework that will guide the Commonwealth's future investments in water infrastructure.

PM&C worked to ensure all relevant policy interests from across government were included in policy formulation and advice processes, given water policy enables outcomes for many sectors and stakeholders, including agriculture, environment, Indigenous Australians and regional communities.

The authority is identifying and developing a pipeline of strategic water infrastructure projects, funded through the National Water Infrastructure Development Fund and the National Water Infrastructure Loan Facility. The quality and timely advice that PM&C provided on proposed water infrastructure led to the announcement of new Commonwealth commitments to feasibility studies and capital projects totalling over \$630 million in 2019–20.

Results: Key Activity 2.3

KEY ACTIVITY	MEASURE	TARGET
Collaborate with Commonwealth agencies and state and territory governments to refresh the Northern Australia strategy.	The Prime Minister, the Cabinet, responsible ministers and agencies receive coordinated advice to inform policy development and support the implementation of the Government's key priorities and activities.	Quality of advice received supports the Prime Minister in coordinating and implementing these policies and programs. The advice considers the views of all relevant stakeholders, including industry, Aboriginal and Torres Strait Islander peoples, and the states and territories.
Source	Corporate Plan 2019–2023, pp. 9–10	
Result	Achieved	
Methodology	Evaluation through case study	
Analysis	<p>In 2019–20, PM&C provided coordinated advice and supported the Prime Minister, the Portfolio Minister and the Office for Northern Australia to assist the Northern Australia Strategic Partnership (NASP) to develop a refreshed five-year plan for northern development.</p> <p>PM&C's achievements against this measure</p> <p>PM&C played a key convening role in bringing together different policy perspectives from key stakeholders across the Commonwealth to support a new five-year plan that recognised the role of Indigenous Australians in developing a strong and prosperous northern Australia. (Refer to the following case study).</p>	

CASE STUDY

New five-year plan for Northern Australia

The 2015 *Our north, our future: White paper on developing northern Australia* sets out a 20-year framework for investment and support to unlock the region's economic potential as a global trade gateway for Australia. The Government's northern Australia agenda will not only make a real difference to the north's economic development and the lives of its people but also benefit the entire nation, as northern Australia grows its contribution to jobs, gross domestic product and population.

The Government's 20-year vision for northern Australian development cannot be realised without collaboration and focus across Commonwealth agencies, and state and territory governments. PM&C assists by coordinating this effort.

The Northern Australia Strategic Partnership (NASP) leads the Government's northern Australia agenda. NASP brought together the Prime Minister, the Minister for Resources and Northern Australia and First Ministers to provide national leadership on the strategic direction for northern Australia. PM&C provided secretariat support to NASP.

In August 2019, NASP commissioned a new five-year plan for northern development (a 'refresh') to maintain momentum in realising the White Paper's 20-year vision, recognising the key role of Indigenous Australians in developing a strong and prosperous Northern Australia.

To support NASP in its development of the five-year plan, PM&C used its convening role to bring together different perspectives and priorities from across the Commonwealth and key stakeholders. We provided policy and process advice to the Prime Minister, the Portfolio Minister and the Office for Northern Australia. We also contributed to the development of the plan by participating in workshops run by the Office for Northern Australia.

In its Communiqué of August 2019, COAG confirmed that substantial progress had been made towards implementing the White Paper. PM&C's efforts to support delivery of the refreshed agenda were well received by the Prime Minister and his office.

Results: Key Activity 2.4

KEY ACTIVITY	MEASURE	TARGET
Support Commonwealth agencies (including NQLIRA) to deliver on the Government’s plan and the Prime Minister’s priority to support farmers and regional communities respond to the drought now, and strengthen Australia’s preparedness and resilience for future droughts.	PM&C supports NQLIRA and delivers regular updates to the Prime Minister and the Cabinet on the drought response and implementation of reforms that support preparedness and resilience.	Quality and timeliness of advice received supports the Prime Minister and the Cabinet to respond to on-the-ground drought conditions.
Source	Corporate Plan 2019–2023, pp. 9–10	
Result	Achieved	
Methodology	Evaluation through case study	
Analysis	<p>In 2019–20, PM&C supported Commonwealth agencies and the Prime Minister and the Cabinet to deliver the Prime Minister’s priority to support drought-affected communities and better support drought preparedness and resilience.</p> <p>PM&C’s achievements against this measure</p> <p>PM&C provided high-quality, timely and practical advice to support the development of the Government’s Drought Response, Resilience and Preparedness Plan.</p> <p>PM&C collaborated with the National Drought and North Queensland Flood Response and Recovery Agency to ensure advice provided to the Prime Minister considered the perspectives of local stakeholders and lived experiences so that the drought measures being implemented reflected changing on-the-ground conditions. (Refer to the following case study).</p>	

BOOTS ON THE GROUND IN DROUGHT-AFFECTED AREAS

CASE STUDY

For several years, drought has affected much of regional Australia. Drought has devastating effects not only on farmers and their families but also on local businesses and communities.

On 7 November 2019, the Government launched a Drought Response, Resilience and Preparedness Plan that outlined the Government's role and approach to drought. The plan aims to help farmers and rural communities prepare for and manage through drought. It involves immediate action for those in drought and support for communities affected by drought; and aims to build long-term resilience and preparedness.

PM&C assisted in development of the plan by providing timely and practical advice to the Prime Minister and the Cabinet on supporting communities in regional Australia affected by drought and building resilience and prepare for future droughts. PM&C advised the Governor-General and the Prime Minister on expanding the former North Queensland Livestock Industry Recovery Agency into the National Drought and North Queensland Flood Response and Recovery Agency.

The new agency, announced on 5 December 2019, has a strong, on-the-ground presence to assist farmers, businesses and communities to access the Government's drought support initiatives. The agency is working closely with all levels of government and other Australian Government agencies, including Services Australia, and charities, industry and peak bodies, to ensure the Government's response is targeted to the needs of communities in drought. PM&C also worked with the agency to ensure decisions of the Prime Minister and the Cabinet were guided by local, lived experiences.

As multiple portfolios are responsible for the Government's drought response, PM&C used its convening power to provide a whole-of-government perspective so that the Government's drought response was proactive, targeted, fit for purpose and shaped by feedback from those affected.

Reflecting changing on-the-ground conditions, new 2019–20 drought measures included improvements to the Farm Household Allowance, a special drought round of the Building Better Regions Fund, further funding under the Drought Communities Programme Extension and the Drought Communities Support Initiative, and the Water for Fodder program. The first drawdown from the Government's \$5 billion Future Drought Fund was announced on 1 July 2020.

Results: Key Activity 2.5

KEY ACTIVITY	MEASURE	TARGET
<p>Support the National Soils Advocate in his efforts to progress the national objective to protect, restore and maintain the health of the Australian agricultural landscape and to guarantee a food secure nation and sustainable farming communities.</p>	<p>PM&C, in collaboration with Commonwealth agencies, delivers policy advice and support to progress the National Soils Advocate's Terms of Reference.</p>	<p>The National Soils Advocate is satisfied that he receives the advice and support necessary to effectively progress his work and contribute his expertise and advice to relevant ministers.</p>
Source	Corporate Plan 2019–2023, pp. 9–10	
Result	Achieved	
Methodology	Evaluation through case study	
Analysis	<p>In 2019–20, PM&C supported the National Soils Advocate and his Office to effectively progress the national objective of maintaining the health of the Australian agricultural landscape.</p> <p>PM&C's achievements against this measure</p> <p>PM&C established the Office of the National Soils Advocate in July 2019 to support Major General the Hon Michael Jeffery AC AO (Mil) CVO MC (Retd), in his reappointment as the National Soils Advocate. (Refer to the following case study).</p> <p>Major General Jeffery stepped aside in January 2020 due to ill health. PM&C continued to deliver on Major General Jeffery's priorities, drawing on his advice.</p>	

CASE STUDY

Spreading the word—National Soils Advocate

Improved soil health benefits the environment, enhances agricultural productivity, increases resilience of the agricultural landscape, improves food security and supports sustainable farming communities.

In 2019–20, the National Soils Advocate raised awareness about the importance of conserving and improving agricultural soil and landscape conditions, to progress the Prime Minister's national objective to protect, restore and maintain the health of the agricultural landscape. To do this, the Advocate engaged with governments, land managers, industry and researchers and provided input into the development of the Government's National Soils Strategy, which aims to improve the coordination of the soil activities.

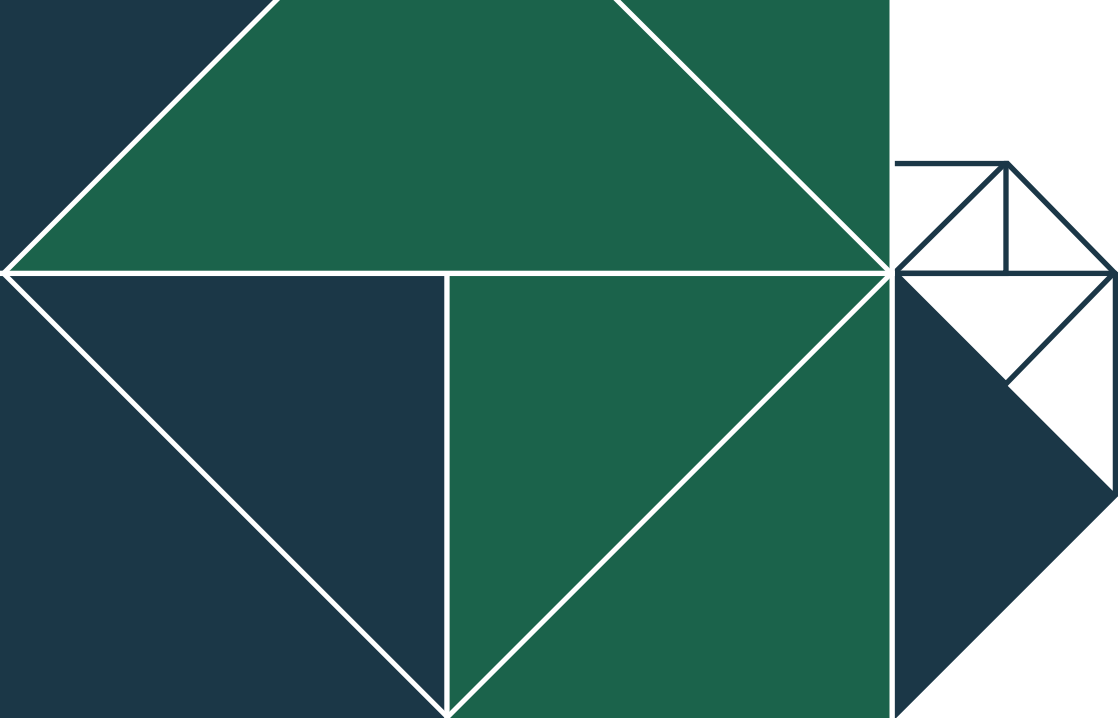
In July 2019, Major General the Hon Michael Jeffery AC AO (Mil) CVO MC (Retd) was reappointed as the National Soils Advocate. Major General Jeffery advocated for improved soil health in farming communities and delivered policy advice to Commonwealth agencies.

In October 2019, PM&C established the Office of the National Soils Advocate (the Office) to support Major General Jeffery in his work. The Office worked with farmers, researchers, extension officers and policy makers with, and on behalf of, the National Soils Advocate. It ensured the Advocate's work helped to inform Commonwealth and state government initiatives, including bushfire recovery, National Landcare Program and the Future Drought Fund.

The National Soils Advocate and the Office provided the leadership required to drive greater awareness of the importance of soil health. The Advocate informed government policy, supported and encouraged land managers, industry and researchers to lock in the intergenerational benefits of improved soil health, which is critical to achieving the Government's long-term vision for Australian agriculture.

Major General Jeffery's return to the role was welcomed. From that time, with the support of the Office, his views were shared at over 50 events and meetings. However, unfortunately, in early 2020 Major General Jeffery's ill health forced him to step aside. The Office continued to present Major General Jeffery's views from that time.

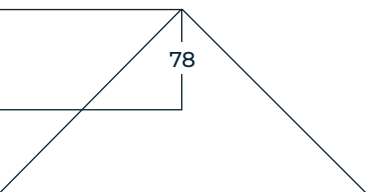
Major General Jeffery's successor will be well positioned to continue this work through established networks, delivering targeted messaging concerning the need for soil health improvements across the agricultural landscape.



3

PURPOSE 3

Supporting
individuals,
families and
communities
to thrive



Analysis

In 2019–20, we met the challenges that arose as a result of the continual change due to the Australian bushfires and the COVID-19 pandemic. We continued to provide high-quality assistance to the Government in decision making and policy development.

PM&C helped to coordinate the Australian Government mental health response to bushfire trauma, a \$76 million funding package, which provided distress counselling and mental health support for individuals, families and communities affected by bushfires. During the COVID-19 pandemic, PM&C also helped bring together the Australian Government's early and rapid response to assist vulnerable communities with mental health, domestic violence, emergency food relief, and ongoing healthcare through the expansion of telehealth, rollout of e-prescription and home medicines delivery.

We also supported the establishment of key positions to improve the approach to suicide prevention in Australia, including the Prime Minister's National Suicide Prevention Adviser and the National Commissioner for Defence and Veteran Suicide Prevention. Furthermore, PM&C assisted with the coordination of the suicide prevention and mental health initiatives announced in January 2020, as an early response to initial advice from the National Suicide Prevention Adviser.

We continued to work with our intergovernmental and community stakeholders to facilitate policy development, approval and implementation. We supported the delivery of the 2020–2025 National Health Reform Agreement, which provided more than \$130 billion in Commonwealth funding for public hospital services over five years from 2020–21. The agreement included a funding guarantee to ensure no state or territory is left worse off as a result of the COVID-19 pandemic.

We continued working closely with the Health portfolio to ensure the provision of affordable medicines through the Pharmaceutical Benefits Scheme. We led the delivery of the National Strategy to Prevent Child Sexual Abuse and provided timely advice to improve online safety with the eSafety Commissioner and the Taskforce to Combat Terrorist and Extreme Violent Material Online.

To ensure Australia's honours system appropriately recognises worthy Australians, we provided comprehensive advice to the Prime Minister across the broad range of Australian honours. As an example, PM&C supported the introduction of the National Emergency Medal for eligible emergency responders to the 2019–2020 bushfires.

PM&C effectively supported the National Indigenous Australians Agency by providing advice on the development of policies and programs aimed at improving the wellbeing of Aboriginal and Torres Strait Islander individuals and communities—for example, supporting the development of the new National Agreement on Closing the Gap with a renewed focus on partnership between governments and Aboriginal and Torres Strait Islander people to drive progress for future generations.

In 2019–20, PM&C achieved its purpose of supporting individuals, families and communities to thrive. We achieved 12 out of 17 performance measures under this purpose, partially achieved one measure and are on track to deliver another four over the life of the Corporate Plan.

We provided timely advice to the Government on a broad range of social policy and intergovernmental matters. Achievement of Purpose 3 is supported by evaluation through case studies, data and stakeholder feedback.



Results: Key Activity 3.1

KEY ACTIVITY	MEASURE	TARGET	RESULT	ANALYSIS
Provide high-quality and timely advice to the Prime Minister, the Cabinet, and Portfolio Ministers on social policy and intergovernmental matters to inform the Government's priorities and policy development and approval. Areas of focus include:	The Prime Minister, the Cabinet, responsible ministers and agencies receive high-quality and timely advice to inform:			In 2019–20, PM&C supported the Prime Minister, the Cabinet and Portfolio Ministers with advice on social policy and intergovernmental matters. PM&C's achievements against the measures

KEY ACTIVITY	MEASURE	TARGET	RESULT	ANALYSIS
<p>Reducing the rate of suicide towards zero and improve the mental health and wellbeing of all Australians by supporting the work of the National Suicide Prevention Adviser and the Government's response to the Productivity Commission inquiry into mental health.</p>	<p>The work of the National Suicide Prevention Adviser and the Government's response to the Productivity Commission inquiry into mental health.</p>	<p>Reduce the rate of suicide towards achieving zero and improve the mental health and wellbeing of all Australians.</p>	<p>Achieved</p>	<p>All jurisdictions agreed on actions to deliver improvements in suicide prevention that align with findings of the Productivity Commission's Interim Report (October 2019) and the National Suicide Prevention Adviser's (NSPA) November 2019 advice to deliver upon the Government's Towards Zero Suicides agenda.</p> <p>The Department also led the establishment of the NSPA and supported the Government's response to the November 2019 findings of the NSPA. In 2019, the Department drove efforts to recognise suicide prevention as a national priority through COAG. COAG endorsed targeted projects to enhance suicide prevention and to establish the National Commissioner for Defence and Veteran Suicide Prevention, and it is expected that mental health and suicide prevention will remain a priority of the new National Cabinet.</p> <p>PM&C worked closely with the Department of Health and other agencies to support progress on mental health and suicide prevention as one of the Prime Minister's key priorities. Significant packages have been announced in response to major events including drought, bushfires and the COVID-19 pandemic—for example, the National Mental Health and Wellbeing Pandemic Plan.</p>

KEY ACTIVITY	MEASURE	TARGET	RESULT	ANALYSIS
<p>Supporting the Prime Minister to achieve the Government's goal of increasing the number of NDIS participants to 500,000 by 2024.</p>	<p>An increase to the number of NDIS participants.</p>	<p>Increase to the number of NDIS participants to 500,000 by 2024.</p>	<p>Achieved</p>	<p>With support from PM&C, the National Disability Insurance Scheme (NDIS) is on track to reach 500,000 participants within the next three years. The Government focused on increasing the number of people accessing the NDIS—for example, by expanding the National Community Connector Program and investing in the National Disability Insurance Agency to improve access decision times. The NDIS Quality and Safeguards Commission is now also available in all states and territories other than Western Australia, so that participants can be assured of the quality and safety of NDIS services and support.</p>
<p>Working with partners and policy leads across Government to manage the Disability and Aged Care Royal Commissions.</p>	<p>Management of the Disability and Aged Care Royal Commissions.</p>	<p>Quality of advice received supports the Prime Minister in overseeing Royal Commissions</p>	<p>Achieved</p>	<p>PM&C assisted the Attorney-General's Department and other Commonwealth agencies in their engagement with the royal commissions. PM&C worked closely with APS agencies on the Government's response to the interim report of the Royal Commission into Aged Care Quality and Safety, released on 31 October 2019. (Refer to the case study on page 86-87).</p> <p>In addition, PM&C supported the establishment of the Royal Commission into National Natural Disaster Arrangements. (Refer to the case study on pages 87-88).</p>

KEY ACTIVITY	MEASURE	TARGET	RESULT	ANALYSIS
<p>In conjunction with the Health portfolio, providing Australians with continued and expanded access to affordable medicines through the Pharmaceutical Benefits Scheme (PBS).</p>	<p>Consideration of access to affordable medicines through the PBS.</p>	<p>Quality of advice received supports the Prime Minister in consideration of affordable medicines through the PBS.</p>	<p>Achieved</p>	<p>PM&C supported the Prime Minister to deliver better access to medicines, particularly during the bushfire season and the COVID-19 pandemic, by:</p> <ul style="list-style-type: none"> • fast-tracking the rollout of electronic prescribing • expanding continued dispensing arrangements to ensure access to medicines where patients do not have a prescription • reducing PBS safety net thresholds, providing cheaper medicines to over 1.4 million Australians.
<p>Supporting the Prime Minister in his capacity as Chair of the Council of Australian Governments and new National Cabinet on the delivery of a new 2020–2025 National Health Reform Agreement which ensures continuity of hospital funding, improves access to services and patient outcomes and reduces avoidable hospitalisations.</p>	<p>Delivery of a new 2020–2025 National Health Reform Agreement.</p>	<p>2020–2025 National Health Reform Agreement delivered.</p>	<p>Achieved</p>	<p>The 2020–2025 Addendum to the National Health Reform Agreement was signed by all jurisdictions by 29 May 2020, to be implemented from 1 July 2020.</p> <p>PM&C supported the Prime Minister at COAG and National Cabinet to oversee the finalisation of the 2020–2025 Addendum to the National Health Reform Agreement with all jurisdictions.</p> <p>The agreement continued record Commonwealth funding levels; improved access to life-saving therapies in public hospitals; and committed parties to implement safety and quality measures, including reducing avoidable re-admissions, as well as broader reforms to improve patient outcomes and reduce potentially avoidable hospitalisations.</p>

KEY ACTIVITY	MEASURE	TARGET	RESULT	ANALYSIS
Working with the Department of Education to ensure that the National Policy Initiatives under the National School Reform Agreement are implemented.	Implementation of the National Policy Initiatives under the National School Reform Agreement.	National School Reform Agreement initiatives are implemented.	On track	The COVID-19 pandemic delayed timeframes for several National Policy Initiatives due to reduced ability for quality stakeholder engagement and the prioritisation of urgent COVID-19 related work. While this means some National Policy Initiatives will be slightly delayed, others continue to progress well.
Working with the Attorney-General's Department to reform the federal judicial architecture.	Effective reform of the federal judicial architecture.	Legislative package to increase the efficiency of the federal and family courts is introduced.	Achieved	The stakeholder survey provided a very positive assessment of the advice provided to the Prime Minister, the Cabinet and Portfolio Ministers on legal policy and intergovernmental matters (with the example of reform of the federal judicial architecture). Stakeholder feedback strongly agreed that PM&C brought a whole-of-government perspective (also, that this was helpful to their organisation); identified strategic opportunities; added value to policy development; and added value in helping to achieve outcomes. The Federal Circuit and Family Court of Australia Bill 2019 was introduced into the Parliament on 5 December 2019.
Source	Corporate Plan 2019–2023, pp. 11–12			
Methodology	Various: Case studies, data and stakeholder feedback			

CASE STUDY

Cross-government collaboration on the Disability and Aged Care Royal Commissions

In 2019–20, PM&C supported the activities of three royal commissions. Two of them were the Royal Commission into Aged Care Quality and Safety (Aged Care Royal Commission) and the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability (Disability Royal Commission).

Royal commissions are established to inquire into systems and identify issues requiring action. They are independent from government.

The royal commissions gave many Australians the opportunity to share their experiences and have their stories heard. PM&C played a key role in the establishment of both royal commissions. We advised the Prime Minister on major royal commission related matters as required, and we have an ongoing role working with partners and policy leads across government to support coordination of Commonwealth engagement with the royal commissions.

PM&C supported the Attorney-General's Department in its leadership of the Commonwealth's engagement with royal commissions. PM&C worked with other relevant policy agencies, including the Department of Social Services and the Department of Health. By supporting agencies to engage effectively with the royal commissions, PM&C assisted the royal commissions to operate effectively and make recommendations to shape Government priorities and policy. In our coordination role we also helped to ensure the commissioners have access to high-quality information on government policy and services.

When the Aged Care Royal Commission's interim report was released in October 2019, PM&C worked with the Department of Health to develop a \$537 million funding package to respond to priority areas identified in the report. The rapid response to the priority areas benefited older Australians by translating the experiences shared through the Royal Commission into policy action.

PM&C worked with agencies and governments to establish interdepartmental and inter-jurisdictional committees. This led to discussion and sharing of information on royal commission engagements and helped agencies in understanding how they should engage with commissions.

PM&C's support ensured all relevant government areas collaborated effectively to support the royal commissions' critical work inquiring into how vulnerable Australians can be better supported and protected.

CASE STUDY

Royal Commission into National Natural Disaster Arrangements

The bushfire season of 2019–2020 was unparalleled in its scale and resulted in loss of life and property and destruction of wildlife and the environment. The conditions experienced during the bushfires presented new challenges for all levels of government.

On 20 February 2020, the Government established the Royal Commission into National Natural Disaster Arrangements. The Royal Commission is inquiring into:

- natural disaster management coordination across all levels of government
- Australia's resilience and adaptation to changing climatic conditions
- the legal framework for the Commonwealth's involvement in responding to national emergencies.

The Royal Commission will make recommendations to give Australians confidence that natural disaster coordination arrangements are the best they can be. It is also examining whether there should be a Commonwealth power to declare national emergencies and shine a light on what needs to be done to improve resilience to the changing climate and to make our community safer.

Air Chief Marshal Mark Binskin AC (Retd), the Hon Dr Annabelle Bennett AC SC and Professor Andrew Macintosh were appointed as Royal Commissioners.

PM&C led work to establish the Royal Commission, supporting the Prime Minister with advice on the design and scope of the inquiry and working with the Office of Parliamentary Counsel to prepare the draft Letters Patent for consideration by the Governor-General. PM&C also consulted with state and territory First Ministers' departments on the proposed terms of reference for the inquiry.

The Royal Commission continued its important work despite the disruption of the COVID-19 pandemic by holding community forums, other public consultation processes and public hearings using online technology.

The establishment of the Royal Commission, jointly with the states, reflected the level of public interest in ensuring effective governance arrangements for areas under inquiry and recognises shared responsibilities between all levels of governments. The Royal Commission will deliver its final report by 28 October 2020.



Results: Key Activity 3.2

KEY ACTIVITY	MEASURE	TARGET
Support the Attorney-General in introducing legislative protection for the freedom of religious belief.	The Prime Minister and Attorney-General receive high-quality and timely advice and support on appropriate measures to support the freedom of religious belief in Australian law.	Legislative package to appropriately protect the freedom of religious belief in Australian law is introduced.
Source	Corporate Plan 2019–2023, pp. 11–12	
Result	Partially achieved	
Methodology	Stakeholder survey	
Analysis	<p>In 2019–20, PM&C supported the Attorney-General in introducing legislative protection for the freedom of religious belief. As confirmed by the Prime Minister, the Hon Scott Morrison MP, at his 26 May 2020 address to the National Press Club, the legislative package has been delayed while the Government focuses on responding to the COVID-19 pandemic.</p> <p>PM&C’s achievements against this measure</p> <p>The stakeholder survey provided a very positive assessment of the support provided for the preparation of a legislative package to appropriately protect the freedom of religious belief in Australian law.</p> <p>Stakeholder feedback strongly agreed that PM&C brought a whole-of-government perspective (also, that this was helpful to their organisation); identified strategic opportunities; added value to policy development; and added value in helping to achieve outcomes.</p>	

Results: Key Activity 3.3

KEY ACTIVITY	MEASURE	TARGET
Ensure Australia's honours system appropriately recognises worthy Australians.	<p>The Prime Minister receives comprehensive and timely advice on the administration of Australia's honours system, with a focus on:</p> <ul style="list-style-type: none"> the implementation of new awards proposed by the Prime Minister ensuring the integrity of the system through appropriate review of awards. 	Reputation and integrity of Australia's honours system remains extremely robust.
Source	Corporate Plan 2019–2023, pp. 11–12	
Result	Achieved	
Methodology	Stakeholder feedback	
Analysis	<p>In 2019–20, PM&C supported Government House and the Prime Minister's Office to manage the reputation and integrity of Australia's honours system.</p> <p>PM&C's achievements against this measure</p> <p>The stakeholder survey provided an overall positive assessment of PM&C's support in ensuring that Australia's honours system appropriately recognises worthy Australians.</p>	

Results: Key Activity 3.4

KEY ACTIVITY	MEASURE	TARGET
Continue to work with Commonwealth agencies to improve online safety, including tackling bullying and preventing the use of the internet for terrorist purposes, and supporting the dedicated taskforce.	The Prime Minister, the Cabinet, responsible ministers and agencies receive coordinated advice to inform development of policies to keep Australians safe online, including preventing terrorism and extreme violent content on the internet.	<p>Effective coordination between international and domestic efforts to prevent terrorism and extreme violent material online.</p> <p>Quality and timeliness of advice supports the Prime Minister, working with relevant ministers to progress and implement the Government's online safety agenda.</p> <p>The advice considers the views of relevant stakeholders, including industry, Australia's international partners and the public.</p>
Source	Corporate Plan 2019–2023, pp. 11–12	
Result	Achieved	
Methodology	Evaluation through case study	
Analysis	<p>In 2019–20, PM&C worked with Commonwealth agencies to improve online safety.</p> <p>PM&C's achievements against this measure</p> <p>PM&C supported the Prime Minister by providing high-quality and coordinated briefing to help deliver both international and domestic actions to keep Australians safe online. (Refer to the following case study).</p> <p>PM&C supported the Department of Infrastructure, Transport, Regional Development and Communications on the development of the new Online Safety Act.</p> <p>The Department worked with New Zealand and the Organisation for Economic Co-operation and Development (OECD) on a project to develop a Voluntary Transparency Reporting Protocol.</p>	

CASE STUDY

Keeping Australians safe online

On 15 March 2019, a single gunman carried out mass shootings at two mosques in Christchurch, New Zealand. The terrorist attacks were uploaded and live-streamed on the internet. The attack was the catalyst for the Government to increase its international efforts to prevent terrorist and violent extremist exploitation of the internet and speed up its domestic online safety reform efforts.

Following the Christchurch attack, the Prime Minister was successful in securing G20 leaders' agreement to the Osaka G20 Leaders' Statement on Preventing the Exploitation of the Internet for Terrorism and Violent Extremism.

In April 2019, the Prime Minister established the Taskforce to Combat Terrorist and Extreme Violent Material Online, jointly led by PM&C and the then Department of Communications and the Arts. Through the Taskforce's report, released on 30 June 2019, Government and industry representatives agreed to measures and commitments to prevent similar online content disseminating.

The Government is also developing a new Online Safety Act to modernise and clarify current regulatory arrangements to ensure all Australians have appropriate safeguards in place to protect them from harmful content.

PM&C is working with the Department of Infrastructure, Transport, Regional Development and Communications, which leads on the development of the Act. PM&C provided briefing to the Prime Minister and the Cabinet with advice to support Cabinet's agreement to the Act's framework and to release a discussion paper for consultation.

Since the Prime Minister's success at G20, the Department is working with New Zealand and the Organisation for Economic Co-operation and Development (OECD) on a project to develop a Voluntary Transparency Reporting Protocol (VTRP). This project brought together industry, governments, academia and civil society to establish a protocol for platforms to publicly report steps they are taking to prevent, detect and remove terrorist and violent extremist content.

The first version of the OECD VTRP is expected by the end of 2020. It is currently under development and is on track.

PM&C supported the Prime Minister by providing high-quality briefing, working across government and meeting with digital platforms such as Facebook and Google, to help deliver both international and domestic actions to keep Australians safe online. Actions to improve online safety will benefit Australians of all ages who interact online.



Results: Key Activity 3.5

KEY ACTIVITY	MEASURE	TARGET	RESULT	ANALYSIS
Support the Prime Minister, the Cabinet and the Minister for Women to deliver key priorities for gender equality, including women's safety, economic security and leadership.	The Office for Women contributes to the delivery of the Government's key priorities for gender equality including:			In 2019-20, PM&C supported the Prime Minister and the Minister for Women to delivery key priorities for gender equality. PM&C's achievements against the measures
	Implementing the Fourth Action Plan of the National Plan to Reduce Violence against Women and their Children 2010-2022.	The Fourth Action Plan of the National Plan to Reduce Violence against Women and their Children 2010-2022 has been implemented.	Achieved	The National Implementation Plan was launched on 25 November 2019. Progress to implement the Fourth Action Plan of the National Plan to Reduce Violence against Women and their Children 2010-2022 (Fourth Action Plan) by 2022 remained on track overall, although the COVID-19 pandemic and the 2019-2020 bushfires have required the Government and the community sector to divert resources to respond to these crises. Through this time, the Office for Women provided agile and responsive policy advice to the Prime Minister and the Minister for Women so that the safety of women and their children was addressed in response, and recovery efforts and the principles of the Fourth Action Plan were embedded into new women's safety measures that were announced to respond to the COVID-19 pandemic. The National Implementation Plan launched on 25 November 2019. (Refer to the case study on pages 97-98).

KEY ACTIVITY	MEASURE	TARGET	RESULT	ANALYSIS
	<p>Implementing the first Women's Economic Security Statement (WESS) and progressing development of the second WESS.</p>	<p>The first WESS is being implemented and progress has been made on the development of the second.</p>	<p>On track</p>	<p>The majority of initiatives in the first WESS are on track. As a result of the COVID-19 pandemic, a number of measures—for example, the Career Revive project and the Reducing Barriers to Work Forum—have experienced slight delays. The reinstatement of the Australian Bureau of Statistics Time Use Survey also experienced minor delays to some implementation components. The Visibility of Superannuation Assets measure experienced delays as a result of large volumes of legislative scheduling. The 2020 WESS is in development.</p>
	<p>Participating in international fora, including the UN Commission on the Status of Women.</p>	<p>Attendance at international events.</p>	<p>Achieved</p>	<p>Prior to the spread of the COVID-19 pandemic, the Office for Women successfully led and supported Australia's participation in various international fora, including the Asia-Pacific Ministerial Conference on the Beijing+25 Review in Bangkok. (Refer to the case study on pages 99-100).</p> <p>Due to the COVID-19 pandemic, the 64th session of the United Nations Commission on the Status for Women (CSW64), scheduled for 9–20 March 2020, was truncated, with only New York-based staff in attendance to adopt a Political Declaration.</p> <p>In the lead-up to CSW64, the Office for Women participated in negotiations for the CSW64 Political Declaration. These negotiations were hard-fought and the Political Declaration reflected strong language about the rights of women and girls globally.</p>

KEY ACTIVITY	MEASURE	TARGET	RESULT	ANALYSIS
	Supporting increased women in leadership positions, including gender diversity on Australian Government boards.	An increase in gender diversity in leadership positions.	Achieved	<p>At the end of 2019, the number of women on Australian Government boards reached 48.4 per cent. This was an increase of 0.5 percentage points from 30 June 2019 and the highest overall result since gender balance targets were introduced. (Refer to the case study on page 100-101).</p> <p>The Office for Women provided analysis of the composition of Australian Government boards to monitor and report on the progress of individual portfolios against the gender balance target. Annual results are published in the <i>Gender balance on Australian Government boards</i> report. The most recent version of the report was released on 4 February 2020.</p> <p>The Office for Women managed the BoardLinks program, which connected eligible Australian women with vacant positions on Australian Government boards. Further improvements to the BoardLinks program are currently under consideration.</p>
Source	Corporate Plan 2019–2023, pp. 11–12			
Methodology	Various: Evaluation through case studies and data			



IMPLEMENTING GOVERNMENT ACTIONS TO REDUCE VIOLENCE AGAINST WOMEN AND THEIR CHILDREN

CASE STUDY

The Fourth Action Plan of the National Plan to Reduce Violence against Women and their Children 2010–2022 (Fourth Action Plan) aimed to reduce the number of women and their children who experience violence.

In 2019–20, the Office for Women worked closely with the Department of Social Services (DSS) to develop the National Implementation Plan as a key component of the Fourth Action Plan. It included over 160 initiatives being delivered under the Fourth Action Plan to address gender inequality as a key driver of violence and provide specialist support to those experiencing violence now. It ensured accountability and transparency on how the Australian Government, and each of the states and territories, work together to implement the Fourth Action Plan. The implementation plan provided a platform for the community to understand how the Government delivers on its long-term commitment to reduce violence against women and their children.

The National Implementation Plan was launched on 25 November 2019 by the Minister for Women and the Minister for Families and Social Services. It can be found at <https://plan4womenssafety.dss.gov.au/>

As part of the development of the National Implementation Plan, the Office for Women negotiated with all relevant Commonwealth agencies and states and territories to ensure the information provided was meaningful and enabled the sector and people experiencing violence to understand what was being delivered under the Fourth Action Plan. The Office for Women coordinated high-quality advice across Government on the Commonwealth's \$340 million investment in the Fourth Action Plan to ensure measures were delivered effectively within agreed time frames.



Implementation progress on the Fourth Action Plan is monitored through a range of approaches, including:

- twice yearly updates to the National Implementation Plan
- annual progress reports, with the first progress report due in September 2020
- engagement with state and territory governments through the Women's Safety Ministers, Women's Safety Senior Officials and Implementation Executive Group (ImpEG).

Throughout the COVID-19 pandemic, the Office for Women worked closely with stakeholders to understand the impact on women's safety to inform evidence-based advice to the Prime Minister and the Minister for Women. Given concerns about the likely increase in violence against women, the Office for Women worked closely with DSS to deliver the \$150 million COVID-19 Domestic and Family Violence Response package to bolster family and domestic violence supports. This included funding for frontline services, emergency accommodation, counselling, outreach and crisis supports, men's behaviour change programs and assisting frontline services transition to online and telephone-based service delivery to keep women safe.

The Office for Women will continue to monitor emerging data and research on incidences of family, domestic and sexual violence during the pandemic.

CASE STUDY

Beijing+25 Review—supporting gender equality on the global stage

The Asia-Pacific Ministerial Conference on the Beijing+25 Review (Beijing+25) was held in Bangkok, Thailand, from 26 to 29 November 2019. Beijing+25 marked 25 years since the adoption of a blueprint for achieving gender equality: the Beijing Declaration and Platform for Action, by the Fourth World Conference on Women.

Beijing+25, convened by the UN Economic and Social Commission for Asia and the Pacific, brought together ministers and senior officials to review progress made since the Beijing Declaration and Platform for Action was adopted. The Australian delegation was led by the Office for Women and was complemented by the Australian Sex Discrimination Commissioner, Kate Jenkins, and three civil society representatives.

The Australian delegation sought to advance Australia's position on gender equality and participate in the negotiations of the conference's outcome document. It was instrumental in successfully retaining important gender equality language in the Beijing Declaration—for example, language on the women, peace and security agenda, Indigenous women, and workplace discrimination. The Office for Women worked closely with like-minded countries, including our Pacific partners, to negotiate agreement. In the current global political climate, the adoption of the outcome document by an overwhelming majority of the Asia-Pacific region was a welcome result.

The resolution document recommitted the Asia-Pacific regional community to uphold the rights of women and girls. The resolution included important regional commitments for the rights of women and girls, such as reaffirming all efforts to eliminate violence against women, and overcoming barriers facing diverse groups of women.

The Asia-Pacific Declaration on Advancing Gender Equality and Women's Empowerment: Beijing+25 Review contained firm language on gender equality and reflected the achievements and challenges faced by the region. The outcome document served as a blueprint for advancing gender equality in the Asia-Pacific and reaffirmed key international norms on gender equality for implementation in the region.

The Asia-Pacific Ministerial Conference on the Beijing+25 Review put Australia and the Asia-Pacific in a strong position to advocate during negotiation of the Political Declaration for the 64th Session of the UN Commission on the Status of Women (CSW64) in March 2020. The Australian Government played an important role in negotiating a strong political statement before CSW64 was truncated due to the COVID-19 lockdowns.

CASE STUDY

Record result for gender balance on Australian Government boards

The Australian Government is supporting women into leadership positions through its target for women to hold 50 per cent of Australian Government board positions.

Gender balance supports more effective and innovative decision making, stronger stakeholder relationships and increased organisational performance. The Government and the community benefit from more diverse voices on Australian Government boards.

This year the Government reported the highest representation of women on Australian Government boards since reporting began in 2009 (33.4 per cent). At 31 December 2019, women held 48.4 per cent of available positions—an increase of 0.5 percentage points from 30 June 2019.

The Office for Women collaborated with agencies to deliver an annual gender balance report measuring progress against the Government's target. This drove increased numbers of women in Government leadership positions.

Setting goals and publicly reporting on progress were important enablers for change. The Government set the 50 per cent target on 1 July 2016, when women filled 40.5 per cent of Australian Government board positions. The Office for Women works collaboratively with Commonwealth agencies on an ongoing basis to meet this target by collecting and reporting data on the gender balance of overall board positions.

Consistent, timely and accurate reporting through the annual gender balance report assisted Portfolio Ministers and the Government to meet the target of increasing women's representation on Government boards. The Government's approach also provided a model for other sectors to follow.

By continuing to provide high-quality reporting, the Government leads by example and communicates its commitment to support women into positions of leadership.

Results: Key Activity 3.6

KEY ACTIVITY	MEASURE	TARGET
Support the Assistant Minister to the Prime Minister and Cabinet to deliver a National Strategy to Prevent Child Sexual Abuse, with a particular focus on awareness raising, education and reducing stigma for victims and survivors.	The National Strategy to Prevent Child Sexual Abuse is delivered within agreed timeframes to the satisfaction of the Prime Minister and the Assistant Minister to the Prime Minister and Cabinet, and key stakeholders.	The National strategy increases awareness, improves services, and reduces the extent of child sexual abuse over the long-term.
Source	Corporate Plan 2019–2023, pp. 11–12	
Result	On track	
Methodology	Evaluation through case study	
Analysis	<p>In 2019–20, the National Office for Child Safety (National Office) achieved cross-government support for the high-level parameters of the National Strategy to Prevent Child Sexual Abuse (National Strategy).</p> <p>All governments temporarily paused further work on the development of the National Strategy so that they can concentrate national efforts on the COVID-19 pandemic emergency response. There is currently no scheduled end date for this reprioritisation. However, once the temporary pause is lifted, the National Strategy will be on track for finalisation within 12 months.</p> <p>PM&C's achievements against this measure</p> <p>Commonwealth, state and territory Community Service Ministers (CSM) supported the National Office on the draft high-level scope and approach for the National Strategy following a collaborative consultation process during 2019–20. (Refer to the following case study).</p>	

CASE STUDY

Co-designing a National Strategy to Prevent Child Sexual Abuse

The National Office for Child Safety (National Office) within PM&C provides national leadership on policies and strategies to enhance children's safety and reduce future harm to children.

In 2019–20, the National Office led the development of a National Strategy to Prevent Child Sexual Abuse (National Strategy)—a key intergovernmental, cross-portfolio recommendation from the Royal Commission into Institutional Responses to Child Sexual Abuse. The National Strategy will drive a long-term, nationally consistent and coordinated approach to preventing child sexual abuse in familial, online and institutional settings. Once implemented, it will encompass Government and non-government sector efforts to drive positive cultural change, support victims and survivors of child sexual abuse and prevent abuse from occurring.

During 2019–20, the National Office conducted a collaborative consultation process to refine the parameters of the National Strategy. The National Office delivered two successful co-design workshops with government stakeholders; regularly consulted with a number of intergovernmental and cross-portfolio child safety working groups; and facilitated a co-design workshop with Aboriginal and Torres Strait Islander organisations, policy makers, frontline workers and researchers. The office also partnered with the lead researchers of the Australian Child Maltreatment Study to ensure new baseline evidence is available for the National Strategy.

The National Office's collaborative design process ensured the scope and approach for the National Strategy reflects the diverse needs and expectations of key stakeholders (including governments, the Royal Commission, people with lived experience of child sexual abuse, clinical practitioners and key population cohorts) and promotes evidence-based, best-practice approaches to keeping children safe.

In March 2020, Commonwealth, state and territory Community Service Ministers provided support for the scope and approach for the National Strategy and acknowledged the National Office for leading a collaborative consultation design process.

The National Office also partnered with key stakeholders to raise awareness of child safety risks during the COVID-19 pandemic, particularly in online environments. It released an open letter to the public and shared informative resources across our networks to support parents and carers, teachers and people working with children to identify, mitigate and respond to child safety concerns. This work closely aligned with the National Strategy's priority focus on education and awareness-raising initiatives.

Building upon the successful collaborative design process, the National Office will continue to work with key stakeholders to refine and finalise the National Strategy ahead of its anticipated endorsement by Australian governments in 2021.

Results: Key Activity 3.7

KEY ACTIVITY	MEASURE	TARGET
Support the Social Impact Investing (SII) Expert Panel to deliver an interim and final report to Government on the Commonwealth's role in the SII market.	<p>Ministers and SII Expert Panel are satisfied with the quality of the interim and final reports.</p> <p>SII Expert Panel is satisfied with the quality of support provided by the PM&C team.</p> <p>The SII Taskforce consults widely in the lead up to the delivery of the interim and final report.</p> <p>SII interim and final reports are delivered by agreed deadlines and supported by best-available evidence.</p>	<p>Reports are delivered to agreed deadlines.</p> <p>Consultation with state and territory governments, the private, not-for-profit sectors, philanthropy, and relevant Commonwealth agencies is documented.</p>
Source	Corporate Plan 2019–2023, pp. 11–13	
Result	On track	
Methodology	Evaluation through survey and data	
Analysis	<p>In 2019–20, PM&C supported the SII Expert Panel to undertake extensive consultation to inform the interim and final reports. The SII Taskforce consulted with over 273 individuals from 80 organisations from the private, not-for-profit and philanthropic sectors through roundtables, targeted consultations and workshops. The SII Taskforce engaged with all state and territory governments and regularly consulted with Commonwealth agencies.</p> <p>PM&C's achievements against this measure</p> <p>PM&C supported the SII Expert Panel to deliver the interim report in late 2019 within the agreed time frame.</p> <p>Key stakeholders provided positive feedback on PM&C's work to support the SII Expert Panel. For example, Assistant Minister Morton wrote to the Chair of the Expert Panel to express satisfaction with the interim report; and a survey of the Expert Panel following the delivery of the interim report showed that panel members were very satisfied with the support and work of the PM&C team.</p> <p>The final report is expected to be delivered within agreed time frames.</p>	

Results: Key Activity 3.8

KEY ACTIVITY	MEASURE	TARGET
Support NIAA in developing policies and programs that will improve the wellbeing and welfare of all Aboriginal and Torres Strait Islander peoples.	The Prime Minister, the Cabinet, and responsible ministers and agencies receive high-quality and timely advice to inform the consideration and progression of the Government's agenda for Indigenous Australians. PM&C leverages the position of the NIAA within the portfolio to improve policy outcomes by ensuring other policy areas consider Indigenous perspectives and enables the Agency to have visibility and input into these policy spaces.	Quality of advice received supports the Prime Minister in coordinating and implementing these policies and programs. The advice considers the views of Aboriginal and Torres Strait Islander peoples and relevant stakeholders, including the states and territories.
Source	Corporate Plan 2019–2023, pp. 11–13	
Result	Achieved	
Methodology	Evaluation through case study	
Analysis	<p>In 2019–20, PM&C provided timely, well-coordinated and high-quality advice on Indigenous policy priorities to support the Government's agenda to change how agencies work with Indigenous Australians.</p> <p>PM&C's achievements against the measures</p> <p>PM&C supported the National Indigenous Australians Agency to negotiate and draft a new National Agreement on Closing the Gap with the Coalition of Peaks, and states and territories. (Refer to the following case study).</p> <p>In response to the COVID-19 pandemic, PM&C played an important role in bringing together departments, states and territories and key Indigenous leaders to respond quickly to protect the health of Indigenous Australians (for example, by restricting travel to remote communities) and ensuring this remains a national priority.</p>	

CASE STUDY

Indigenous Australians—working in partnership on Closing the Gap

The first National Agreement on Closing the Gap commenced in 2008. Since then, all Australian governments worked together to deliver better health, education and employment outcomes for Aboriginal and Torres Strait Islander people and to eliminate the gap between Indigenous and non-Indigenous Australians. Closing the gap in life outcomes between Indigenous and non-Indigenous Australians is a national priority and requires a coordinated whole-of-government approach.

In 2018, the Council of Australian Governments (COAG) committed to refresh Closing the Gap in formal partnership with Aboriginal and Torres Strait Islander people, represented by the Coalition of Aboriginal and Torres Strait Islander Peak Organisations (Coalition of Peaks).

In 2019–20, PM&C supported the National Indigenous Australians Agency to negotiate and draft a new National Agreement on Closing the Gap with the Coalition of Peaks, and states and territories. The new agreement had a clear focus on improving how governments work with Indigenous Australians to design and deliver services that affect them.

PM&C generated awareness and buy-in across governments by co-chairing the Indigenous Australians Inter-Departmental Committee, sharing regular updates with COAG and state counterparts, and providing high-quality advice to the Prime Minister and the Cabinet. We organised a landmark roundtable with the Prime Minister, Cabinet ministers and members of the Coalition of Peaks in the Cabinet room in January 2020.

Efforts to raise awareness and coordinate across governments resulted in successful negotiations, culminating in the agreement being signed by the Prime Minister, Premiers and Chief Ministers, Coalition of Peaks, and the Australian Local Government Association.

The new agreement provided a clear framework for governments, outlining refreshed national targets and four priority areas of reform needed to achieve them (for example, through shared decision making). The new reporting arrangements also ensured greater transparency and shared accountability across all levels of government and the Coalition of Peaks.

The new agreement will be crucial for all agencies as they develop and implement policies and programs with Indigenous Australians to improve their wellbeing and welfare. PM&C will continue to support a whole-of-government effort as the agreement is implemented.



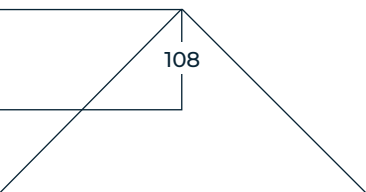
*Roundtable meeting with the Prime Minister, Cabinet Ministers and the Coalition of Aboriginal and Torres Strait Islander Peak Organisations, January 2020.
Credit: Department of the Prime Minister and Cabinet*



4

PURPOSE 4

Upholding
national
security and
strategic
interests



Analysis

In 2019–20, PM&C responded to multiple and compounding threats to the safety, security and prosperity of all Australians. Such threats included extensive bushfires and the once-in-a-generation health and economic impacts of the COVID-19 pandemic, as well as a rapidly deteriorating strategic environment and the escalating challenges of foreign interference and malicious cyber activity.

Disaster response and crisis coordination was a key focal point for PM&C this year. Domestically, we supported the Prime Minister in responding to the devastating bushfire season, collaborating internally and across the public service to ensure our advice to the Prime Minister on disaster recovery brought a whole-of-government perspective, considering social and economic impacts.

Swift crisis management was required in the face of the unparalleled human security and biosecurity challenges presented by the COVID-19 pandemic. PM&C established a COVID-19 Taskforce to lead the Department's initial response to the pandemic, restructuring the workforce to support the Prime Minister's needs and provide policy advice to National Cabinet and the APS. A dedicated reporting function was created within the taskforce to provide a twice-daily comprehensive COVID-19 brief for the Prime Minister. This function was supported by a specialist data analytics team (including experts seconded from across the APS), which compiled data provided from Commonwealth, state and territory sources as well as private sector and international sources on the COVID-19 pandemic. The data team's up-to-date information, statistics, trend analysis and modelling on the COVID-19 pandemic was an essential component in guiding government decision making and tracking of the impact of measures taken.

As part of our commitment to whole-of-government responses to National Security priorities, PM&C convened the Secretaries Committee on National Security (SCNS). Chaired by the Secretary of PM&C, SCNS is a Secretary-level committee and serves to provide coordinated advice to the National Security Committee of Cabinet (NSC) on national security policy and issues of relevance to Australia's economic, political, international, trade, intelligence and defence interests. Over 40 SCNS meetings were convened through 2019–20.

In other domains, PM&C worked across government to strengthen Australia's defences against malicious cyber activity. PM&C supported the Department of Home Affairs to develop the \$1.67 billion 2020 Cyber Security Strategy to keep Australians secure online. This vision will be delivered through complementary actions by governments, businesses and the community. As part of this Strategy, PM&C supported the Prime Minister and Minister for Defence to announce the Government's \$1.35 billion commitment to enhance Australia's cyber security, as part of the Australian Signals Directorate's Cyber Enhanced Situational Awareness and Response (CESAR) package.

In related areas, PM&C led whole-of-government projects on data security to secure existing government data and provide the policy settings to protect government data as a national asset into the future. PM&C supported the Prime Minister and the Department of Home Affairs to establish and announce an \$87.8 million Counter Foreign Interference Taskforce in the Australian Security Intelligence Organisation (ASIO) to enhance Australia's operational and investigative capacity to disrupt and deter acts of foreign interference and espionage. PM&C also supported Treasury on the largest reforms to Australia's foreign investment framework in 20 years. This included expanding national security powers under the *Foreign Acquisition and Takeovers Act 1975* to ensure Australia's foreign investment screening keeps pace with emerging national security risks.

In 2019–20, the pace of change in our region and globally continued to accelerate. PM&C supported the Prime Minister to strengthen and diversify international partnerships, including through the implementation of the Government's Indo-Pacific Strategy and the Pacific Step-up. Prior to the onset of the COVID-19 pandemic, PM&C supported the Prime Minister's extensive engagement with foreign counterparts in bilateral and multilateral meetings, including the Pacific Islands Forum in Tuvalu; the G7 summit in France; the UN General Assembly in New York; the East Asia Summit in Thailand; visits by the Prime Minister to Vietnam, Timor-Leste, the United States, Fiji and Indonesia; and visits to Australia by the leaders of New Zealand, Papua New Guinea, Fiji, Samoa, the Netherlands, Solomon Islands, Cook Islands, Indonesia, as well as the NATO Secretary-General and President of Israel.

PM&C adjusted to the unique circumstances of the global pandemic to support the Prime Minister's pursuit of objectives internationally and opportunities to collaborate while international travel was not possible. The Prime Minister held virtual summits with the Prime Ministers of Singapore and India, participated in the virtual G20 Leaders' Meeting, and held multiple summits with the Smart COVID-19 Management Group (which includes leaders from Austria, Czech Republic, Denmark, Greece, Israel, New Zealand and Norway). PM&C supported the Prime Minister to maintain regular contact with international counterparts as they prepared for and responded to COVID-19. PM&C assisted the Government to provide immediate assistance to Pacific island countries to prepare for the impact of the COVID-19 pandemic, specifically refocusing Australia's aid program to mitigate the health and economic impacts of the pandemic and assist with the region's economic recovery. PM&C also supported the Prime Minister to advocate internationally, including to G20 leaders, the United Nations Secretary-General and World Health Organization Director-General, for an independent review of the source of the global pandemic. A mandate for the review was secured in a resolution adopted at the 73rd World Health Assembly. PM&C also supported the Prime Minister in announcing two Australian contributions to the global effort to fight the COVID-19 pandemic—a \$352 million commitment announced at a European Commission-led pledging conference; and a \$300 million commitment announced at the Global Vaccine Summit.

In response to the deteriorating strategic environment, PM&C worked closely with the Department of Defence to support the design and delivery of the 2020 Defence Strategic Update, which set out the new strategic objectives that will shape all elements of Defence planning. PM&C also supported the delivery of the accompanying 2020 Force Structure Plan, which outlined the necessary adjustments to Defence capability plans required by the new settings. PM&C worked closely with colleagues in the Department of Defence and Department of Finance to support the timely delivery of the Naval Shipbuilding Plan, which supported the Government's vision for a strong, sustainable and innovative naval shipbuilding industry in Australia. PM&C also provided high-quality advice on investment programs to increase Australia's military and border patrol capabilities while building the sovereign defence industrial base and preserving job opportunities.

In 2019–20, PM&C achieved its purpose of coordinating a whole-of-government approach to uphold national security and strategic interests. We achieved all four performance measures under this purpose. Achievement of Purpose 4 is supported by evaluation through case studies and results presented for each key activity.

Results: Key Activity 4.1

KEY ACTIVITY	MEASURE	TARGET
<p>Support the Prime Minister’s engagement with foreign counterparts and business leaders to strengthen and diversify Australia’s partnerships internationally, especially in the Indo-Pacific, contributing to a more successful and prosperous Australia.</p>	<p>PM&C supports and strengthens the Prime Minister’s international agenda by providing high-quality and timely briefing for the Prime Minister’s engagements.</p> <p>Implementation by the APS of commitments made by the Prime Minister to foreign leaders.</p>	<p>Quality of advice received supports the Prime Minister in engagement with international counterparts and is demonstrably focused on advancing Australia’s interests through:</p> <ul style="list-style-type: none"> • strengthening the Indo-Pacific partnership • clear articulation of important matters for Australia • supporting the Prime Minister in achieving Australia’s foreign policy agenda and ensuring high-quality submissions and briefings on matters to do with foreign and trade policy • ensuring that leader-level commitments the Government made during meetings with foreign counterparts are developed and implemented by agencies with support from PM&C.
Source	Corporate Plan 2019–2023, pp. 14–15	
Result	Achieved	
Methodology	Evaluation through case study	
Analysis	<p>In 2019–20, PM&C supported an elevated tempo of engagement in a time of strategic complexity and change with agile policy development; comprehensive briefing support; and innovative, virtual solutions.</p> <p>PM&C’s achievements against this measure</p> <p>PM&C delivered 21 visits (incoming and outgoing), six virtual summits and approximately 84 leader-level calls, including the virtual G20 Leaders’ Meeting; the Prime Minister’s visit to the United States of America (refer to the following case study); and the Australia–India Leaders’ Virtual Summit. (Refer to the case study on pages 114–115).</p> <p>PM&C assisted the Government to provide immediate assistance to Pacific island countries to prepare for the impact of the COVID-19 pandemic.</p> <p>The Department supported the Prime Minister to advocate internationally, including to G20 leaders, the United Nations Secretary-General and World Health Organization Director-General, for an independent review into the source of the global pandemic.</p>	

CASE STUDY

Prime Minister's visit to the United States of America, 2019

From 19 to 27 September 2019, the Prime Minister visited the United States of America (US) at the invitation of the President of the United States, the Hon Donald J. Trump. During the visit, the Prime Minister attended the first State Dinner at the White House for an Australian Prime Minister since 2006. The Prime Minister's visit sought to further strengthen Australia's close security and economic ties with the US and to underscore the importance of the Alliance and bilateral relationship.

PM&C coordinated a whole-of-government effort to deliver concrete visit outcomes and high-quality, comprehensive briefing to support the Prime Minister's visit and advance Australia's national interest.

The Prime Minister met President Trump and members of his Cabinet; key US government, business and community figures; and Australian expatriates. He undertook engagements in four cities—Washington, Chicago, Wapakoneta (Ohio) and New York—and delivered two keynote speeches, accompanied by a large media contingent throughout the visit.



The Prime Minister, Mrs Jenny Morrison, the President of the United States, the Hon Donald J. Trump, and First Lady of the United States, Mrs Melania Trump, attend the first State Dinner at the White House for an Australian Prime Minister since 2006. Credit: Adam Taylor, Office of the Prime Minister

Important outcomes included:

- deepened personal ties between the Prime Minister and key US leaders
- a new mechanism to strengthen and align US and Australian Indo-Pacific strategies
- a Joint Statement of Intent between the Australian Space Agency and National Aeronautics and Space Administration (NASA)
- science and technology announcements, including a new Frontier Technology dialogue, hydrogen safety cooperation, and cooperation on lithium-ion recycling
- measures to improve the security of critical minerals supply chains.

The visit was an example of strong collaboration across PM&C on policy, planning, logistics and briefing to enable the delivery of a range of high-profile prime ministerial commitments.

Through the delivery of high-quality advice and logistics, the Prime Minister was supported to effectively pursue Australia's national interest and a strengthened relationship with the US. PM&C has continued to work with agencies following the visit to ensure that commitments the Prime Minister made during his visit are developed and implemented effectively.

CASE STUDY

Australia–India Leaders' Virtual Summit, 4 June 2020

The June 2020 Australia–India Leaders' Virtual Summit elevated bilateral ties to a new, historic high against the background of a region undergoing profound and rapid strategic change.

The summit was an innovative solution to facilitating leader-level diplomacy during the COVID-19 pandemic, forming a new model for future engagement. Leaders' statements were broadcast live online, reaching a new digital audience. Associated media received prominent and favourable coverage in India, with 195 separate news print articles alone reaching an estimated 370 million people.

PM&C led a whole-of-government effort to deliver the summit's ambitious outcomes and format, providing comprehensive briefing and delivering a technologically seamless meeting—India's first-ever bilateral virtual leaders'

summit and Australia's second. PM&C partnered with the Australian High Commission in India, the Department of Foreign Affairs and Trade and other government agencies to agree to the Comprehensive Strategic Partnership and eight other agreements and memoranda of understanding with Indian counterparts, which were announced by leaders on the day.

In addition to strengthening ties between the two Prime Ministers, the summit resulted in an unprecedented step-up in the relationship, with new initiatives reflecting a broader, deeper and more mature and trusting connection with India. It included the launch of major initiatives in defence, maritime affairs, cybersecurity, governance, critical minerals and water management.

Most significantly, the Comprehensive Strategic Partnership now marks a new era in ties with a major regional power at a critical time. As implementation is taken forward, it will make Australia a more secure, prosperous and integrated player in the Indo-Pacific.



*The Prime Minister holds a virtual meeting with the Hon Shri Narendra Modi, Prime Minister of the Republic of India, from Australian Parliament House.
Credit: Adam Taylor, Office of the Prime Minister*

Results: Key Activity 4.2

KEY ACTIVITY	MEASURE	TARGET
<p>Provide comprehensive, influential and timely advice and coordination on national security, with an emphasis on:</p> <ul style="list-style-type: none"> • counter-terrorism and crisis management • border security, law enforcement, cyber security and counter foreign interference initiatives • defence operations and capability, including on the national naval shipbuilding enterprise • foreign policy. 	<p>Decisions in relation to national security matters are made and implemented on the basis of consideration of Australia's national interests and the full range of equities, including social, economic and security interests, and implemented in a timely way.</p> <p>Whole-of-government response during times of crisis is coordinated seamlessly.</p>	<p>Quality of advice received supports the Government's commitments on national security and a whole-of-government response is coordinated effectively during times of crisis.</p>
Source	Corporate Plan 2019–2023, pp. 14–15	
Result	Achieved	
Methodology	Evaluation through case study	
Analysis	<p>In 2019–20, PM&C successfully implemented a range of activities that delivered a consistent, common understanding on interconnecting domestic, international and national security factors that supported an informed national response.</p> <p>PM&C's achievements against this measure</p> <p>PM&C supported the Prime Minister to mobilise Commonwealth resources and efforts, working with states and territories on a collective approach to manage the COVID-19 pandemic. (Refer to the following case study).</p> <p>The Department introduced new National Cabinet processes and twice-daily reports on national, global pandemic and economy relevant data and trends, to provide a 'single point of truth' for the Prime Minister's Office, Commonwealth bureaucracies, and states and territories.</p> <p>PM&C worked with the Department of Home Affairs to develop the 2020 Cyber Security Strategy which commits \$1.67 billion over ten years to enhance Australia's cyber security and an \$87.8 million Counter Foreign Interference Taskforce in ASIO.</p> <p>The Department worked with Treasury on the largest reforms to Australia's foreign investment framework in 20 years.</p>	

CASE STUDY

Novel coronavirus (COVID-19) national pandemic response

The global COVID-19 pandemic presented unparalleled human security and biosecurity challenges. The Government's aim from the first days of the crisis was to restrict the impact of the COVID-19 pandemic on Australians and Australian interests.

A nationally unified response was called for and was delivered due to extraordinary cooperation across the Commonwealth, state and territory public services. Led initially by public health officials, all service delivery agencies demonstrated extraordinary collegiality and agility in implementing new and expanded programs such as JobSeeker, JobKeeper and early access to superannuation; and working internationally to help Australians overseas to return home.

PM&C was involved in supporting the Prime Minister to mobilise all Commonwealth resources expeditiously and efficiently to support Commonwealth and state and territory governments' collective management of the national crisis. Our efforts focused upon supporting pandemic response decision making by the Prime Minister and National Cabinet, and the Prime Minister's international engagement.

PM&C supported new government coordination mechanisms (National Cabinet and the National Coordination Mechanism), which met with unparalleled regularity. Output included 12-hourly strategic updates to the Prime Minister, supported by complex data analysis of prevailing conditions and engagement with international partners, industry and the private sector to harness maximum national efforts and to ensure critical ongoing supplies of necessities to the public. PM&C ensured a coordinated and collaborative response by all governments through chairing regular meetings of senior officials from First Ministers' departments in all jurisdictions—namely, the First Secretaries Group and First Deputies Group. These efforts ensured that pandemic responses were optimised and the pandemic's impact on the lives and prosperity of Australians was contained.

Australia's COVID-19 response was met with world acclaim. As a result of the Government's management of this challenge, Australia was invited into the international 'First Movers Group'—a group of 10 countries recognised for quickly and decisively containing COVID-19.

The COVID-19 pandemic threatened lives, the economy and our standards of living, and it continues to be a substantial threat. However, the Government's decisive actions so far blunted the potentially severe impact the virus could have had on Australians and Australian interests.

Results: Key Activity 4.3

KEY ACTIVITY	MEASURE	TARGET
Provide comprehensive, influential and timely advice and coordination on Defence Capability, operations and strategic policy, including the establishment of a sovereign and sustainable Australian defence industrial base.	PM&C supports the delivery of the \$200 billion 2016 Defence White Paper Investment Program, including the \$90 billion Naval Shipbuilding Enterprise.	<p>Quality of advice received supports the Prime Minister, the Cabinet, responsible ministers and agencies in the delivery of Defence capability.</p> <p>The advice considers the views of all relevant stakeholders, including industry and the states and territories, where appropriate.</p> <p>The program is delivered to agreed deadlines.</p>
Source	Corporate Plan 2019–2023, pp. 14–15	
Result	Achieved	
Methodology	Evaluation through stakeholder survey	
Analysis	<p>PM&C effectively supported the Prime Minister and the Government in delivering its Defence policy, capability, and industry policies, including the 2020 Defence Strategic Update and Force Structure Plan. Independent external survey results indicated high levels of stakeholder satisfaction across this activity. The survey results also indicated that PM&C worked very effectively with other stakeholders to support implementation of the Government's Defence priorities.</p> <p>PM&C's achievements against this measure</p> <p>PM&C worked closely with the Department of Defence to deliver the 2020 Defence Strategic Update, the 2020 Defence Force Structure Plan and the Naval Shipbuilding Plan.</p> <p>The Department provided the Prime Minister with high-quality advice on investment programs to increase Australia's military and border patrol capabilities.</p>	

Results: Key Activity 4.4

KEY ACTIVITY	MEASURE	TARGET
Support the Prime Minister as Chair of National Security Committee (NSC) to secure decisions and drive implementation.	A focused NSC agenda, with clear decision-making and management processes and effective implementation of decisions.	Quality of advice received supports the NSC agenda.
Source	Corporate Plan 2019–2023, pp. 14–15	
Result	Achieved	
Methodology	Various: Data and stakeholder feedback	
Analysis	<p>In 2019–20, a key focal point for PM&C was disaster response, crisis coordination and recovery. We supported the Prime Minister with advice that included a whole-of-government perspective and took into consideration social, health and economic impacts. Existing committee structures were adapted to allow for flexible decision making and provide better support for the Government’s COVID-19 response. (Refer to the following case study).</p> <p>PM&C’s achievements against this measure</p> <p>PM&C managed an increased frequency of NSC meetings to respond to the 2019–2020 bushfires and the COVID-19 pandemic, in addition to the standing forward work program.</p> <p>The Department established the dedicated NSC COVID-19 Taskforce to promote thematic consideration of interrelated issues.</p> <p>PM&C allocated staffing to track the actioning of the COVID-19 response.</p> <p>PM&C’s outreach and liaison across the APS ensured that advice provided to NSC was accurate and well consulted.</p>	

CASE STUDY

Establishment of the National Cabinet and NSC COVID-19 Taskforce

In March 2020, in response to the outbreak of COVID-19 in Australia, the Prime Minister—with support of Premiers and Chief Ministers—established a National Cabinet. Meetings are chaired by the Prime Minister and attended by state and territory leaders. The forum coordinates COVID-19 preparedness and response across all Australian jurisdictions. In addition, a National Security Committee (NSC) COVID-19 Taskforce was established to support the National Cabinet and ensure strategic direction and oversight of implementation of national COVID-19 response measures.

Cabinet and its committees were also restructured to allow for flexible decision making to support the Government's response to the COVID-19 pandemic and the associated increase in the frequency of Cabinet and committee-level meetings in 2020. Two new committees, along with their associated technical support, were established in a matter of days.

As a result of the changes, the Government was equipped with the capacity to consult rapidly across the federal and state levels on Australia's COVID-19 response and preparedness. The new arrangements ensured that the health, economic, societal and public safety aspects of the COVID-19 response were subject to whole-of-government coordination and consultation. The establishment of dedicated committees ensured the people with the relevant expertise were present to inform the Government's discussions and decision making.

PM&C responded flexibly and promptly to the Government's changing decision-making needs as a result of the pandemic. It coordinated the Cabinet-level consideration of the Government's response to the COVID-19 pandemic and the standing forward work program. It engaged in significant outreach across the APS, as well as with states and territories, to ensure the advice provided to Government was based on sound consultation and that it balanced competing concerns.

PM&C also continued to support the operations of Cabinet and its committees to ensure that Government decisions could be taken in a timely way, with the best possible policy analysis and advice.

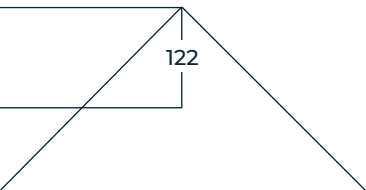
PM&C, through significant liaison across the APS, supported the Prime Minister to secure prompt and collaborative decisions about how Australia responded to the COVID-19 pandemic, as well as holding agencies to account for implementing and reviewing those decisions.



5

PURPOSE 5

Governing well



Analysis

Effective public sector governance underpins the Australian Government's ability to deliver its priorities. In 2019–20, PM&C undertook a range of initiatives to further strengthen and, where necessary, improve our capability to govern well.

Late in 2019, PM&C launched the CabNet+ system to improve access to and management of Cabinet-related documents through digital means. Our assessment is that the more frequent and higher number of Cabinet meetings to cover disaster issues could not have successfully occurred without CabNet+.

Work continued on the Data at Your Desk project. This tool, developed in-house, provided policy officers with fingertip access to a range of datasets to better test policy development. This informed the development of sound and actionable advice, at a time when policy decisions needed to be made quickly to address the wide-ranging impacts of the COVID-19 pandemic.

The Department was also a key player in implementing the Prime Minister's decisions relating to structural changes of the Australian Public Service (APS). The transition from 18 to 14 departments was the most significant reform to the APS in 30 years. Importantly, this shared activity was delivered on time.

To advance Australia's interests internationally, PM&C successfully managed a well-executed program for the Prime Minister's overseas engagement and for incoming visits by Heads of State and Heads of Government. PM&C successfully transitioned to support the Prime Minister's virtual engagements, including the G20 meeting in March 2020 and the Australia–India Leaders' Virtual Summit with the Indian Prime Minister in June 2020.

The COVID-19 pandemic interrupted progress on some of the activities the Department was on track to achieve. For instance, a shift in Government priorities slowed progress on the introduction of the Data Availability and Transparency Bill by the Office of the National Data Commissioner.

PM&C rolled out a new performance framework to identify and recognise high performance. While full implementation was postponed to next year, staff continued to demonstrate flexibility, a willingness to adapt to a changed working environment and, in some cases, redeployment to other departments or other teams within PM&C to deliver critical functions, such as processing unprecedented volumes of ministerial correspondence.

In 2019–20, PM&C successfully achieved our purpose of governing well. We achieved 11 out of 14 performance measures under this purpose, partially achieved two and are on track to deliver another one over the life of the Corporate Plan.

Results: Key Activity 5.1

KEY ACTIVITY	MEASURE	TARGET
Ensure a strategic focus to the Government's legislative program.	The whole-of-government legislation program is delivered in accordance with the Government's strategic priorities.	Government's priority legislative measures are introduced in accordance with the Government's timetable.
Source	Corporate Plan 2019–2023, pp. 16–17	
Result	Achieved	
Methodology	Government Division keeps track of all Government legislation introduced and passed by the Parliament.	
Analysis	<p>In 2019–20, PM&C supported and helped deliver the Government's legislation program based on the Government's strategic legislative and policy priorities. The number of Bills introduced into the Parliament reflects these priorities, noting there were no fixed targets for the number of Government Bills introduced into and passed by Parliament.</p> <p>The passage of legislation through the Parliament during a sitting period was a matter for the House and Senate, as each chamber determined the time allocated for debate on each Bill.</p> <p>PM&C's achievements against this measure</p> <p>PM&C assisted the Government with the introduction of 216 Bills into the Parliament. In 2019–20, 153 Government Bills were passed in both chambers.</p>	

Results: Key Activity 5.2

KEY ACTIVITY	MEASURE	TARGET
Enhance and modernise Cabinet processes through delivery of the CabNet+ project.	The new CabNet+ system supports ministers and departments to operate more efficiently and effectively.	CabNet+ successfully implemented and operating effectively.
Source	Corporate Plan 2019–2023, pp. 16–17	
Result	Achieved	
Methodology	Evaluation through stakeholder feedback and case study	
Analysis	<p>In 2019–20, PM&C modernised the Cabinet processes by moving from a paper-based system to an electronic format through the CabNet+ IT system. The new system has enabled faster and more efficient processing, distribution and viewing of Cabinet documents, while enhancing the security and auditability of the system.</p> <p>PM&C’s achievements against this measure</p> <p>PM&C successfully rolled out CabNet+ to the APS in December 2019.</p> <p>Further enhancements and updates were successfully deployed during a period of unprecedented Cabinet load in 2020.</p> <p>Feedback from ministerial offices and the APS has been positive. (Refer to the following case study).</p>	

CASE STUDY

Delivery of the CabNet+ system

On 16 December 2019, PM&C successfully rolled out the new CabNet+ system to support Cabinet processes. CabNet+ is an IT system that facilitates distribution of Cabinet documents and information and management of Cabinet and Cabinet committee meetings.

The old CabNet system was built in the 1990s and was designed for paper-based processes. Cabinet material could be viewed in hard copy only. Between 2016 and the rollout in 2019, PM&C redeveloped the old CabNet system, introducing modern technologies for increased efficiency. CabNet+ was developed within PM&C.

The new CabNet+ system improves collaboration, development, governance and reporting on Cabinet material and ensures secure access to Cabinet documents by ministers and the APS. It allows ministers and the APS to have more timely and convenient access to Cabinet documents and associated information. Ministers and agencies can now view and draft Cabinet documents from any location, and with a range of electronic devices, provided they can connect to a secure system. Document processing, viewing and distribution was easier, faster and more efficient, while security and auditability were improved and reliability of the system was maintained. The number of printed Cabinet products was reduced across Government, reducing the likelihood of security breaches.

This new functionality was critical in 2020. It allowed the Prime Minister and Cabinet Secretary to run an effective Cabinet process, despite the social distancing restrictions in place as a result of the COVID-19 pandemic. Between 1 January and 29 June 2020, Cabinet Division and CabNet+ supported 179 Cabinet and Cabinet committee meetings, compared with 153 meetings for the whole of 2019.

Enhancements and changes to CabNet+ were made quickly, despite an unprecedented Cabinet load in 2020.

Feedback from ministerial offices and the APS was positive. The CabNet+ project surveyed ministerial offices and departments recently. It found

that 83 per cent of respondents responded with 'yes' or 'mostly' when asked whether CabNet+ enabled more timely and secure access to Cabinet information while creating an efficient and collaborative platform. Further, 95 per cent of respondents answered 'yes' or 'mostly' when asked whether the CabNet+ system met their business needs and streamlined the way they work.

Results: Key Activity 5.3

KEY ACTIVITY	MEASURE	TARGET
Provide expert advice to the Prime Minister and the Cabinet, Portfolio Ministers, PM&C and other APS agencies on governance matters relating to the operation of the executive branch of Government.	High-quality expert advice is provided to the Prime Minister on governance matters.	All machinery or ministerial changes are properly supported by sound advice and successfully implemented.
Source	Corporate Plan 2019–2023, pp. 16–17	
Result	Achieved	
Methodology	Evaluation through case study	
Analysis	<p>In 2019–20, PM&C's expert advice to the Prime Minister, the Cabinet, Portfolio Ministers and APS agencies was critical to the success of the Government's machinery of government changes, announced in December 2019.</p> <p>PM&C's achievements against this measure</p> <p>PM&C's high-quality advice and support across government resulted in the largest structural change to the APS in more than 30 years: eight departments were consolidated into four, reducing the overall number of departments from 18 to 14. (Refer to the following case study).</p>	

CASE STUDY

APS machinery of government changes

On 5 December 2019, the Prime Minister announced significant structural change to the APS, reducing the number of departments from 18 to 14. These changes formed part of the Government's APS reform agenda, 'Delivering for Australians', announced on 13 December 2019.

The Government wants to see congestion-busting in the bureaucracy and an APS that is focused on delivering for all Australians, including delivering services seamlessly and efficiently. These changes ensured that the APS had clear direction and delivered better services on the ground for the Australian people.

PM&C worked to identify the most efficient and effective way to implement the Prime Minister's decisions on changes to departmental structure. We supported the Prime Minister's announcement on 5 December 2019 and, in consultation with the Department of Finance and the Australian Public Service Commission, led the implementation of the machinery changes. We coordinated the delivery of information across government and to the affected parts of the APS about timing and implementation arrangements for the new structure. We also supported the Prime Minister, the Secretary of PM&C and the APS Commissioner with consequential changes to appointments of departmental secretaries.

On 1 February 2020, eight departments were consolidated into four: the Department of Education, Skills and Employment; the Department of Agriculture, Water and the Environment; the Department of Industry, Science, Energy and Resources; and the Department of Infrastructure, Transport, Regional Development and Communications. The department formerly known as Services Australia (previously the Department of Human Services) was established as an executive agency within the Social Services portfolio.

These machinery of government changes, which were the largest structural reforms to the APS in 30 years, were implemented effectively and within the recommended time frames.

As the Prime Minister announced, the changes to the departments were a structural measure to better align and bring together functions within the APS so that it can support, protect and serve more Australians. The APS reform agenda put Australians at the heart of government and ensured that the APS remained one of the best in the world.

Results: Key Activity 5.4

KEY ACTIVITY	MEASURE	TARGET
Provide clear and actionable advice on whole-of-government legal risk.	<p>Significant legal matters and associated risks are identified and coordinated with the Attorney-General's Department.</p> <p>The Prime Minister and his Office have timely and comprehensive visibility of whole-of-government legal risks as they emerge.</p>	Whole-of-government legal risks are identified and mitigated to the greatest extent possible.
Source	Corporate Plan 2019–2023, pp. 16–17	
Result	Achieved	
Methodology	Evaluation through performance analysis and feedback in the stakeholder survey	
Analysis	<p>In 2019–20, PM&C worked in close partnership with the Attorney-General's Department and relevant portfolio agencies to manage and provide visibility of whole-of-government legal risks.</p> <p>PM&C's achievements against this measure</p> <p>The stakeholder survey provided a very positive assessment of the advice on whole-of-government legal risk that PM&C provided.</p> <p>Stakeholder feedback strongly agreed that PM&C advice was timely and comprehensive in providing visibility of whole-of-government legal risks as they emerged and that PM&C's perspective was helpful.</p>	

Results: Key Activity 5.5

KEY ACTIVITY	MEASURE	TARGET
Increase awareness of Australia's honours system.	Public awareness of honours system is increased through social and traditional media campaigns, focusing on those segments of society which are under-represented in awards.	Increase diversity in Australian honours nominations including: <ul style="list-style-type: none"> • diversity of levels and geographical spread in PSM awards • women and other under-represented groups for awards in the Order of Australia.
Source	Corporate Plan 2019–2023, pp. 16–17	
Result	Achieved	
Methodology	Evaluation through data and case study	
Analysis	<p>In 2019–20, PM&C worked with stakeholders to encourage gender parity and greater diversity of nominations for Australian honours. Social and traditional media campaigns were used to seek insight into the public's perception of the honours system and to provide greater awareness to the community on how to nominate someone for an Australian honour.</p> <p>PM&C's achievements against this measure</p> <p>Over the last 12 months, the number of awards of the Public Service Medal has almost reached parity in terms of awards to female public servants, non-SES staff and staff not located in the ACT.</p> <p>PM&C successfully provided secretariat support to the Public Service Medal Committee, which selects recipients based on merit. PM&C also supported Government House in relation to Order of Australia awards. (Refer to the following case study).</p>	

CASE STUDY

Honours awareness—South Australia

Diversity outcomes, particularly moves towards gender parity, have improved in relation to the Order of Australia award.

Increasing diversity in award nominations leads to more diversity amongst award recipients. As nominations for this award are community generated, PM&C undertook a range of activities to encourage diversity in nominations. For example, PM&C worked with the Office of the Governor of South Australia to showcase South Australian honours recipients, particularly women, to encourage gender balance in the award nominations.

PM&C representatives attended the September 2019 honours investiture ceremonies in Adelaide to interview recipients of traditionally under-represented groups for a social media campaign. The social media campaign was released in the lead-up to the 2020 Australia Day Honours List, when public interest in the awards was high. It featured a number of previous Order of Australia recipients and His Excellency the Hon Hieu Van Le AC, Governor of South Australia, in video and slide compilations posted on YouTube, Twitter and Facebook channels.

The stories and contributions of inspirational Australians were captured to motivate people to make nominations. Some of the extraordinary Australians featured were Mrs Faith Thomas AM, who received the award for service to cricket and the Indigenous community; Ms Kylie Mines OAM, for service to disabled people in the Asia-Pacific region; Mr Timothy Grieger OAM, for service to the agricultural show sector; Ms Natasha Stott Despoja AO, for distinguished service to the global community as an advocate for gender equality; and Mr Brian Edwards OAM, for service to lifesaving.

Through engagement with social media posts, we gained insights into public perceptions of the honours system. We found that people saw the importance of using the Order of Australia to recognise exceptional contributions to the nation. We also found a widespread view that it was important for the contribution of women and of people from other under-represented groups to be reflected in the diversity of honours recipients.

The campaign contributed to a greater understanding of how to nominate someone for an award in the Order of Australia and raised awareness that the honours system relies on community-generated nominations. It also demonstrated how, in recognising outstanding individuals for their service, Australian honours represent our values as a nation.

Results: Key Activity 5.6

KEY ACTIVITY	MEASURE	TARGET
Ensure the Department has a high-performance culture underpinned by a strengths-based approach to performance.	<p>PM&C staff provide high-quality outcomes and support.</p> <p>Performance is assessed on delivery of outcomes along with PM&C specific capabilities and behaviours.</p>	<p>The Department's new performance framework is implemented and operating effectively.</p> <p>High performance is recognised and linked to access to opportunities.</p>
Source	Corporate Plan 2019–2023, pp. 16–17	
Result	Partially achieved	
Methodology	Evaluation through use of 2019 APS Employee Census results as benchmarks with 2020 Pulse Survey to provide comparison. Both surveys have good completion rates (over 60 per cent response rates).	
Analysis	<p>The Department's new performance framework was partially implemented in 2019–20. Due to impacts from the COVID-19 pandemic, some elements of the implementation were postponed. The identification of high performers element was postponed until the next performance cycle to ensure a considered and flexible approach to performance appraisals.</p> <p>As a result, detailed analysis of the framework's effectiveness was delayed and will be informed by the APS Employee Census in October 2020. However, the PM&C Pulse Survey results provided an early indication of likely achievement of both targets.</p>	

Results: Key Activity 5.7

KEY ACTIVITY	MEASURE	TARGET
Advance Australia's interests through effective and well-executed programs for the Prime Minister's overseas engagements and for incoming visits by Heads of State and Government.	PM&C coordinates and delivers high-quality operational support for the Prime Minister's official overseas engagements and for Guests of Government.	The operational arrangements for the Prime Minister's international outgoing visit program are delivered to a high standard and advance Australia's international interests. The Guest of Government program for incoming visits is delivered to the satisfaction of our guests, the Prime Minister and the Governor-General.
Source	Corporate Plan 2019–2023, pp. 16–17	
Result	Achieved	
Methodology	Evaluation of reports generated from the Record of Activities database and through case studies	
Analysis	<p>In 2019–20, PM&C demonstrated high-quality operational support and service delivery in the planning, coordination and delivery of the Prime Minister's official overseas visits and incoming visits by Heads of State and Government. PM&C coordinated complex logistical arrangements, enabling successful visits and policy outcomes.</p> <p>PM&C's achievements against this measure</p> <p>PM&C saw a 33 per cent increase in the Guest of Government visits program and a 94 per cent increase in the events program including virtual meetings compared with 2018–19.</p> <p>The pandemic and the closing of international borders paused international travel and Guest of Government visits. However, PM&C managed two virtual meetings with Heads of Government and participated in four virtual meetings relating to the COVID-19 pandemic.</p> <p>PM&C received messages of thanks from key stakeholders for the funerals, events and visits we organised. This indicated a high degree of satisfaction with PM&C's activities.</p> <p>The program was delivered within agreed time frames. (Refer to the following case studies).</p>	

CASE STUDY

State visit by the President of the Republic of Indonesia

His Excellency Mr Joko Widodo, President of the Republic of Indonesia, visited Canberra from 8 to 10 February 2020. This was the President's fourth visit to Australia. It followed Prime Minister Morrison's visit to Jakarta for the President's inauguration in October 2019.

Australia and Indonesia have a strong and vibrant relationship as neighbours, strategic partners and friends. The aim of the visit was to build on the Indonesia–Australia Comprehensive Strategic Partnership (CSP), deepening cooperation in trade and investment, maritime issues, defence and security, counter-terrorism, cybersecurity, prevention of transnational crime and education.

PM&C collaborated across government in the planning and logistics of the visit for the Governor-General, Prime Minister, visiting delegation and travelling media.

President Widodo and Prime Minister Morrison agreed on a plan of action for the Indonesia–Australia CSP for 2020–2024, with shared commitments across trade and investment, defence, counter-terrorism and people smuggling, maritime issues, education and partnering in regional and international forums. The two leaders announced the completion of domestic processes for the ratification of the Indonesia–Australia Comprehensive Economic Partnership Agreement, which would deepen the economic, trade, and investment relationship. Australia and Indonesia committed to co-deploy for the first time as part of a United Nations peacekeeping operation.

The visit achieved its aim of deepening cooperation between Australia and Indonesia. In his speech to the Australian Parliament, President Widodo said Australia was Indonesia's closest friend, with our two nations sharing a future as anchors of economic development, trade and security in the Indo-Pacific. Following the visit, Prime Minister Morrison remarked that the 'very deep relationship only goes from strength to strength'.

PM&C led the high-quality operational and logistics delivery of the State visit, which ran smoothly and generated significant media coverage.

The visit was an example of strong collaboration and coordination across government. PM&C brought together a complex set of policy outcomes, representing more than a year's work by line agencies and the Australian Embassy in Jakarta with Indonesian counterparts. We successfully delivered the program's complex logistical elements including the Annual Leaders' Talks, a meeting with Australian and Indonesian Cabinet ministers, President Widodo's address to members and senators of the Parliament of Australia and a parliamentary luncheon held in the Great Hall. The number of messages and formal letters of thanks received from key stakeholders provided an indication of the level of satisfaction with the Department's work.



The Prime Minister and His Excellency Mr Joko Widodo, President of the Republic of Indonesia, leaving the House of Representatives following the President's address to members and senators of the Parliament of Australia—the first address from an Indonesian President to the Australian Parliament in a decade. Credit: Auspic

CASE STUDY

Official visits and events

In 2019–20, the Prime Minister undertook a number of important overseas visits to participate in multilateral forums and to further enhance Australia's bilateral relationships. PM&C successfully supported a total of seven prime ministerial overseas visits to eight nations over 28 days. The Prime Minister visited:

- Tuvalu (Pacific Island Forum) (14–16 August 2019)
- Vietnam and France (G7) (22–28 August 2019)
- Timor-Leste (30–31 August 2019)
- United States of America (United Nations General Assembly) (19–27 September 2019)
- Fiji (11–12 October 2019)
- Indonesia (20–21 October 2019)
- Thailand (East Asia Summit) (3–5 November 2019).

PM&C also successfully delivered the incoming Guests of Government program. The Department managed a number of visits to Australia by both Heads of State and Heads of Government.

This year's program included:

- visits by Heads of State from Israel and Indonesia, with the Indonesian visit including President Widodo's address to members and senators of the Parliament and a parliamentary luncheon
- visits by Heads of Government from Cook Islands, Fiji, the Netherlands, New Zealand, Papua New Guinea, Samoa and Solomon Islands
- ministerial-level visits from the United States of America.

PM&C managed two virtual meetings with Heads of Government (India and Singapore) and participated in four virtual meetings relating to the COVID-19 pandemic.

The Department managed 107 airport facilitations for Heads of State and Heads of Government who were transiting or making private visits to Australia.

In addition to the official hospitality provided during Guest of Government visits, PM&C successfully delivered another 15 events in support of the Prime Minister, which was a significant increase on last year's number. These included:

- COAG meetings and related hospitality events in Cairns and Western Sydney
- events related to the parliamentary condolence motion on the 2019–2020 Australian bushfires
- hospitality for the 2019–2020 test cricket teams from Australia and New Zealand, and the Prime Minister's XI cricket match
- receptions for the national finalists for the Australian of the Year Awards, the swearing-in of the new Governor-General, and the Prime Minister's Christmas Reception.

PM&C also coordinated a State Funeral for the Hon Timothy Fischer AC in Albury, New South Wales.

Key stakeholders provided positive feedback on the quality of service delivered by PM&C in managing these visits and events.



Australian of the Year Finalists 2020 at the Lodge, Canberra. Credit: Auspic

PM&C acknowledges that ACT Senior Australian of the Year, Ms Sue Salthouse, sadly passed away in July 2020.

Results: Key Activity 5.8

KEY ACTIVITY	MEASURE	TARGET	RESULT	METHODOLOGY	ANALYSIS
Use technology and automation to streamline ministerial support services.	<p>Timely registration of ministerial correspondence and provision of timely high-quality speechwriting and meeting support.</p>	All ministerial correspondence is registered within three working days.	Achieved	The Department's parliamentary workflow system, the Parliamentary Document Management System, is used to track the volume of incoming correspondence and the timeliness of items being registered and allocated for appropriate action.	<p>In 2019–20, PM&C was impacted by a surge in incoming ministerial correspondence. From 1 January to 20 May 2020, PM&C received 88,586 pieces of correspondence—an increase of 568 per cent compared with the same period in 2019.</p> <p>PM&C's achievements against this measure</p> <p>Of the 151,583 items of ministerial correspondence received over the reporting period, 91,047 (60%) were registered within the target of three working days. The remaining 60,536 (40%) were registered four or more working days after receipt, being outside the target of the three days. (Refer to the case study on page 142).</p>
	<p>Timely registration of ministerial correspondence and provision of timely high-quality speechwriting and meeting support.</p>	Meeting support and speechwriting provided to the satisfaction of stakeholders.	Achieved	All speech and message requests are tracked. Any written or oral feedback received from stakeholders is noted and saved.	<p>In 2019–20, PM&C's speechwriters delivered timely and high-quality speechwriting support. Message requests remained steady, and 2019–20 saw a small increase on the previous year.</p> <p>PM&C's achievements against this measure</p> <p>Feedback from stakeholders was strongly positive. (Refer to the case study on pages 140–141).</p>

KEY ACTIVITY	MEASURE	TARGET	RESULT	METHODOLOGY	ANALYSIS
	Timely registration of ministerial correspondence and provision of timely high-quality speechwriting and meeting support .	Meeting support and speechwriting provided to the satisfaction of stakeholders.	Achieved	Meeting support timeliness (board and committee papers delivered on time and to a high standard) and stakeholder feedback are tracked.	In 2019–20, PM&C's informal review of the functional support provided for meetings identified some gaps in strategic alignment across committees and the Department's broader priorities; and delays in providing critical stakeholders with information such as meeting material, which led to less meaningful discussion. The Governance Secretariat team has undergone an improvement exercise in the past six months, focusing on increasing stakeholder engagement and strategic support. As a direct result of these changes, feedback indicated that meeting papers and minutes have improved, leading to more productive meetings. The team is now more focused on planning and strategy and on being known as more responsive. PM&C's achievements against this measure Feedback from critical stakeholders identified an overall improvement in productive and strategic alignment within the meetings. This coupled with the timely delivery of papers of consistent quality indicated our achievement against this measure. Over the past six months the Governance Secretariat team supported an increased number of meetings across the Department and Shared Services clients with a reduced footprint due to the need to realign resourcing to accommodate the Department's business continuity response to the COVID-19 pandemic.
Source	Corporate Plan 2019–2023, pp. 16–17				

SUPPORT FOR THE STATE VISIT TO THE UNITED STATES OF AMERICA

CASE STUDY

In September 2019, the PM&C speechwriting team prepared a suite of draft speeches for the Prime Minister's State visit to the United States of America (US). While the speeches delivered were always in the Prime Minister's words, the Department played an important role in coordinating research and preparing drafts for his consideration.

The purpose of the speeches was to articulate and strengthen Australia's enduring relationship with the US and to seek further cooperation in areas like science and space, counter-terrorism, trade and investment.

In close collaboration with International Division, the PM&C Library and the Australian War Memorial, the speechwriting team researched and drafted 13 speeches for the eight-day visit, as well as a reading pack of prime ministerial and presidential speeches from past visits going back to the 1960s. The speeches drafted by the team included high-profile addresses to the UN, NASA and the Chicago Council on Global Affairs; and official toasts at a State Lunch and State Dinner.

This work supported the Prime Minister in the delivery of well-researched, thoughtfully crafted and factually accurate speeches that reflected the history, depth and resilience of the Australia-US alliance. The speeches supported the Prime Minister's accomplishment of Australia's diplomatic, scientific, strategic, and trade objectives for the trip, which in turn helped strengthen and deepen the partnership between our two nations. The Australian public reaped strategic, economic, social and cultural advantages from this enduring alliance.

The trip was considered a success and enhanced the relationship between Australia and the US. Our speechwriting team received very positive feedback from the Prime Minister's Office, and was included in a joint Secretary's Award for Excellence in Delivery for its role in supporting the trip. The team also received praise from Professor Simon Jackman, CEO of the United States Studies Centre at the University of Sydney. He wrote, 'The visit helped to reaffirm and recommit to the foundations of our relationship with the US. On this dimension Morrison excelled. His speechwriters deserve credit and Morrison's delivery was perfect'.



The Prime Minister during his State visit to the United States. Credit: AAP

The draft speeches PM&C prepared for the Prime Minister helped him represent Australia with clarity, confidence and eloquence on the world stage with our most important ally. They articulated Australia's interests, values, history and character and the strength, extent and potential of our partnership with the United States of America.

CASE STUDY

2020 correspondence workflows

From 1 January to 20 May 2020, PM&C received 88,856 pieces of correspondence regarding, among other things, the COVID-19 pandemic and the related Government responses announced by the Prime Minister.

Despite this 568 per cent increase on the amount of correspondence received in the same period in 2019, we continued aiming to maintain timely registration of ministerial correspondence.

PM&C swiftly established a surge team to work with the business as usual correspondence staff and process the mountain of correspondence. The team included staff redeployed from across the Department as well as contractors with expertise in the Parliamentary Document Management System and correspondence processing.

PM&C benefited from this by maintaining the integrity of correspondence workflows. The Government and the Prime Minister benefited by being able to provide timely responses to general representations and organisations on current issues.

Between 10 March and 20 May, PM&C processed 60,000 items of correspondence. As at 16 June 2020, the Department had fewer than 500 items yet to be processed. All unprocessed items of correspondence received through the 'Contact your PM' web portal were still within the three working day target for processing.

Timeliness of correspondence reflected on the integrity of key services administered by PM&C.

Results: Key Activity 5.9

KEY ACTIVITY	MEASURE	TARGET	RESULT	ANALYSIS
Provide leadership to the APS on designing, delivering and scaling policies and services using innovative and rigorous tools including data, digitisation and behavioural insights.	PM&C enables whole-of-government collaboration to facilitate good policy development and better service delivery, including by using integrated data through the Data Integration Partnership for Australia (DIPA).	30 agencies using integrated data and DIPA data assets.	Achieved	<p>In 2019–20, PM&C provided leadership by assisting agencies to better collaborate on expanding and using integrated data. During this period the tool, Data at Your Desk, continued to open up previously inaccessible data resources, contributing to improved policy development.</p> <p>PM&C's achievements against this measure</p> <p>Approximately 80 Commonwealth and state/territory agencies and universities used integrated data and DIPA data assets over the three years of DIPA.</p> <p>The target was met through DIPA funding to expand integrated data and improve access to this data. (Refer to the case study on page 145).</p>

KEY ACTIVITY	MEASURE	TARGET	RESULT	ANALYSIS
	<p>Behavioural Economics Team of the Australian Government (BETA) continues to contribute to the delivery of the Government's key priorities through the application of behavioural economics and rigorous evaluation.</p>	<p>15 advisory and evaluation projects completed. 2000 APS employees participate in behavioural insights capability program.</p>	<p>Partially achieved</p>	<p>In 2019–20, BETA continued to make contributions to the Government's key priorities. As an example, BETA redirected resources to respond quickly to the Government's and National COVID-19 Coordination Commission's (NCCC's) priority of providing businesses with an intuitive planning tool in response to the COVID-19 pandemic. (Refer to the case study on page 146).</p> <p>This tool was downloaded more than 26,000 times. The information and guidance has enabled businesses to continue operating during the different stages of the lockdown, while ensuring the safety of their staff and customers.</p> <p>Face-to-face events were not possible for several months in 2020 due to COVID-19, forcing scheduled events to be postponed.</p> <p>PM&C's achievements against this measure</p> <p>PM&C completed 29 advisory and evaluation projects.</p> <p>The behavioural insight capability program had around 1,600 participants from more than 40 APS agencies. Before the COVID-19 pandemic, the initial target was on track to be achieved. This is the reason for partial achievement of this measure.</p>
Source	Corporate Plan 2019–2023, pp. 16–17			
Methodology	Evaluation through data and case study			

CASE STUDY

Data at Your Desk

Australian Government data is frequently hard to access. This limits policy officers' ability to use it to inform policy development and program management. To address this, PM&C's Central Analytics Hub set out to build a tool that allows policy officers to tap into data from multiple agencies using a single, easy-to-use interface.

The project involved building a desktop interface in Microsoft Power BI to tap into granular data held by the Australian Bureau of Statistics and the Department of Social Services, using privacy-preserving technologies. Inside Power BI, data is transformed into a user-friendly interface that allows for in-depth exploration of payments and demographic information that would otherwise be difficult to access and draw insights from.

The resulting tool, Data at Your Desk, was released last year. It allowed users to dynamically visualise and analyse data related to government-funded social services, social security payments and more. Policy officers in PM&C without specific data training now have safe, privacy-preserving access to a range of complex and sensitive datasets from other agencies. Before Data at Your Desk, policy officers had to access, compile and link to multiple sources to generate and analyse data. Data at Your Desk provided an intuitive desktop dashboard that transformed the way they accessed and interacted with payment data and demographic indicators.

In 2019–20, Data at Your Desk continued to open up previously inaccessible data resources. This enriched the advice provided by PM&C, leveraging integrated Data Integration Partnership for Australia data assets and contributing to better policy development.

Data at Your Desk enabled PM&C to improve evidence-driven policy making by turning data insights into actionable advice.

CASE STUDY

COVIDSafe business planning tool

Many small and medium-sized businesses were impacted by the COVID-19 restrictions and needed help to understand and navigate new resources and requirements to keep their businesses healthy and safe.

Recognising this need, the Behavioural Economics Team of the Australian Government (BETA) and the National COVID-19 Coordination Commission (NCCC) set out to create an intuitive business planning tool that would help businesses to understand their new responsibilities and requirements and make an actionable plan to scale up their business as COVID-19 restrictions are lifted.

BETA applied behavioural insights to the business planning tool by:

- making it easy for businesses to identify actions they should take to prepare
- providing interactive features (like checklists and planning prompts) to help people follow through with their intentions
- minimising friction costs by linking businesses to reliable websites and other resources for the latest information
- making complex processes salient and simple to overcome cognitive biases such as status quo bias
- using positive framing to encourage businesses to seek help.

The COVIDSafe toolkit helped businesses identify where to go for support and information. It encouraged them to plan how to make their businesses safe for customers and staff and how to adapt and prepare for reopening in a different environment. Using the toolkit, businesses were able to develop a clear plan for trading through and after the COVID-19 pandemic.

The COVIDSafe planning tool was downloaded more than 26,000 times and received positive feedback from peak bodies and industry associations. It was promoted on [Australia.gov.au](https://australia.gov.au) and business.gov.au

By helping businesses keep their staff and customers safe, BETA and NCCC increased consumer and business confidence, which will help our economic recovery from the COVID-19 pandemic.

Results: Key Activity 5.10

KEY ACTIVITY	MEASURE	TARGET
Establish an effective public data sharing framework through the work of the Office of the National Data Commissioner.	The Office of the National Data Commissioner leads reforms to improve data sharing and use across the APS.	Reforms are delivered within agreed timelines to the satisfaction of the Minister responsible.
Source	Corporate Plan 2019–2023, pp. 16–17	
Result	On track	
Methodology	Evaluation through data and case study	
Analysis	<p>In 2019–20, the Office of the National Data Commissioner (ONDC) continued to progress the Data Availability and Transparency (DAT) Bill. The DAT Bill will enable effective public data sharing, while strengthening the security and privacy protections for personal and sensitive data.</p> <p>PM&C’s achievements against this measure</p> <p>A shift in Government priorities earlier in the year and subsequent redeployment of some ONDC staff to support activities in response to the COVID-19 pandemic has slowed progress of the DAT Bill.</p> <p>Before the COVID-19 pandemic, ONDC was engaging with the community and key stakeholders on the development of the DAT Bill. This included seeking feedback on the proposed reforms discussion paper and holding 76 roundtables across Australia in September and October 2019. (Refer to the following case study).</p>	

CASE STUDY

Developing the Data Availability and Transparency Bill public consultation

The Government holds personal information as well as many other types of data that could be shared for broader benefit, including to prefill forms and make it simpler to access government services. However, legislative and other barriers currently constrain sharing of this data. The Office of the National Data Commissioner (ONDC) is leading a legislative reform process to establish a streamlined mechanism to enable data sharing in a robust and safe way.

In 2019–20, the ONDC consulted widely to develop the Australian Government's Data Availability and Transparency (DAT) Bill. The DAT Bill represented a significant change in the way the Government handles public sector data, from 'need to know' to 'responsibility to share where there is a clear public benefit'.

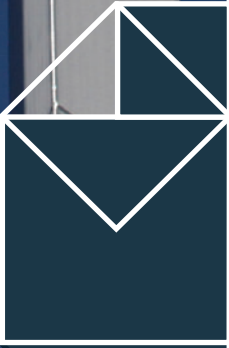
In developing this legislation, the ONDC committed to a philosophy of listening, learning and improving to design the data sharing reforms.

In September 2019, the ONDC released a discussion paper on the proposed reforms, informed by feedback from consultations on an issues paper in July and August 2018. As well as inviting submissions on the discussion paper, it held 76 public roundtables around Australia in September and October 2019, attended by more than 600 people, to discuss issues in detail and hear directly from stakeholders. In a follow-up online survey of participants, almost all respondents said that the roundtables had improved their understanding of the DAT Bill.

The ONDC's strong engagement processes enabled it to understand the concerns and expectations of the community and key stakeholder groups, to refine its policy positions accordingly, and to demonstrate that the reforms are being shaped by community and stakeholder views. Engaging with the public and stakeholders early and closely on the development of the data sharing reforms helped to build greater trust in government policy.

Results: Key Activity 5.11

KEY ACTIVITY	MEASURE	TARGET
Deliver high-quality and regular updates to the Prime Minister on implementation of key priorities across Government.	Regular and high-quality updates are provided to the Prime Minister on the delivery of key priorities.	Implementation of a delivery framework to report to the Prime Minister regularly on the Prime Minister's key priorities.
Source	Corporate Plan 2019–2023, pp. 16–17	
Result	Achieved	
Methodology	Evaluation through data and tracking achievement of ministerial objective	
Analysis	<p>In 2019–20, PM&C's Priorities and Delivery Unit ensured that departments provided the Prime Minister and the Cabinet with timely progress updates on achieving key priorities.</p> <p>PM&C's achievements against this measure</p> <p>PM&C successfully implemented a delivery framework to monitor key priorities.</p>	



PART THREE

Management and accountability

Corporate governance

PM&C's corporate governance framework supported the Department's mission and purposes while ensuring proper use and management of public resources. Our risks were managed within the Department's level of tolerance, and accountability and legislative requirements were met. Our governance structures were reviewed regularly in light of changes to our operating environment to ensure they remained fit for purpose and are underpinned by a culture of accountability, integrity and trust. Key components of our corporate governance framework are:

- the Department's strategic corporate planning and performance reporting processes
- a governance committee structure (see Table 3.1)
- audit and assurance activities
- risk management framework, systems and controls
- fraud prevention and control
- business continuity planning and response
- an individual performance management framework.

Committees

PM&C's governance committees, outlined in Table 3.1, ensured good governance across the Department and supported the Secretary and other senior executives in fulfilling their corporate and governance responsibilities.

Table 3.1: Departmental committees and their purposes

COMMITTEE	PURPOSE
Executive Board	Provided senior leadership and strategic direction over the delivery of Government and other departmental priorities and objectives. It made key decisions and reviewed risks with a primary focus on Government priorities, strategic planning in policy and service delivery, performance monitoring, innovation and diversity.
Audit and Risk Committee	Provided independent advice and assistance to the Secretary and the executive on the appropriateness of PM&C's financial and performance reporting responsibilities, risk oversight and management, and systems of internal control.
Inclusion and Diversity Committee	Promoted inclusion and diversity initiatives, and change within the Department. It provided strategic advice on the Department's inclusion and diversity strategy and objectives and their alignment with business goals.
Consultative Committee	Provided a mechanism for general staff consultation between management and employee representatives on workplace relations matters that affected employees. It played an important role in ensuring that staff have a voice on issues affecting their employment conditions and corporate matters at PM&C.
Health, Safety and Wellbeing Committee	Provided a formal mechanism for consultation and cooperation on work health and safety matters that affect workers.

Audit and Risk Committee

The PM&C Audit and Risk Committee (ARC) provided independent advice and assistance to the Secretary and the executive.

The ARC Charter set out the ARC's role, authority, responsibilities, composition and tenure, reporting, and administrative arrangements. The ARC Charter can be found at <https://www.pmc.gov.au/pmc/who-we-are/accountability-and-reporting/audit-and-risk-committee>.

Table 3.2 provides information about the membership of the ARC between 1 July 2019 and 30 June 2020.

Table 3.2: Audit and Risk Committee membership, meeting attendance and remuneration, 2019–20

Audit and Risk Committee member name and title	Carol Lilley (Chair)
Qualifications, knowledge, skills and experience	<p>Carol Lilley is the Chair of the PM&C Audit and Risk Committee. She has been an independent member since June 2019 and Chair since September 2019.</p> <p>Ms Lilley's experience and qualifications are as follows:</p> <ul style="list-style-type: none"> Ms Lilley is currently serving on a range of Australian Government audit committees, including Department of Home Affairs, Services Australia, Australian Federal Police and Austrade. She is the Deputy Chair of Icon Water and has had other director roles in the Australian Government and the private sector. She is also the Chair of two Australian Capital Territory Government Directorate Audit Committees (Chief Minister, Treasury and Economic Development; and Transport Canberra and City Services). She is a former partner of PricewaterhouseCoopers (2004–2011). She is now an independent director and audit committee member. Her background is in financial statements, internal audit and risk management. Ms Lilley has a Bachelor of Commerce from University of Western Australia and is a Graduate of the Australian Institute of Company Directors, a Fellow of Chartered Accountants Australia New Zealand and a certified internal auditor.
Number of meetings attended/total number of meetings held	4/4
Member remuneration (excl. GST)	\$17,015.00

Audit and Risk Committee member name and title	Paul Smith (Independent Member)
Qualifications, knowledge, skills and experience	<p>Paul Smith is an independent management consultant. He has been an independent member of PM&C's Audit and Risk Committee since November 2019.</p> <p>Mr Smith's experience and qualifications are as follows:</p> <ul style="list-style-type: none"> • Mr Smith has operated in executive committee roles across all facets of consulting organisations, including strategy, operation and compliance. • He has over 35 years' experience in financial management and ICT consulting to public sector, commercial and not-for-profit organisations. • He has been a partner in professional consulting firms for 21 years. He was Founding Partner of Callida Consulting. • He is a Fellow of CPA Australia; a Senior Certified Professional of the Australian Computer Society and a Graduate Member of the Australian Institute of Company Directors. • Mr Smith's qualifications include a Bachelor of Commerce from the Australian National University (ANU).
Number of meetings attended/total number of meetings held	3/3
Member remuneration (excl. GST)	\$6,818.18

Audit and Risk Committee member name and title	Maria Storti (Independent Member)
Qualifications, knowledge, skills and experience	<p>Maria Storti has been an independent member of PM&C's Audit and Risk Committee since 2018. She is Chair of PM&C's Financial Statements Sub-Committee (FSSC). She was Acting Chair for the committee's August 2019 meeting.</p> <p>Ms Storti's experience and qualifications are as follows:</p> <ul style="list-style-type: none"> • Ms Storti specialises in financial management, governance and risk management. • She has served in senior executive roles and consultancy for over three decades. • She is a Fellow of the Australian Institute of Company Directors and a member of the Institute of Internal Auditors. • Her experience includes EY Performance Improvement Partner, Deputy CEO at Defence Housing Australia and Vice-President Governance & Development at the University of Canberra. • Ms Storti's qualifications include a Master of Business Administration.
Number of meetings attended/total number of meetings held	4/4
Member remuneration (excl. GST)	\$17,045.45 (This includes Ms Storti's remuneration as Chair of the FSSC)
Audit and Risk Committee member name and title	Jeff Lamond (Chair until September 2019)
Qualifications, knowledge, skills and experience	<p>Jeff Lamond served as an independent member of PM&C's Audit and Risk Committee from July 2013 and as Chair from April 2014 until September 2019.</p> <p>Mr Lamond's qualifications and experience are as follows:</p> <ul style="list-style-type: none"> • Mr Lamond had a 33 year career in the Australian Public Service (APS). For the last 14 years he served as a Senior Executive Service (SES) officer. • His roles included the Statutory Office of Merit Protection Commissioner and SES Band 2 officer in the Department of Immigration and Citizenship.
Number of meetings attended/total number of meetings held	0/1
Member remuneration (excl. GST)	\$0

Audit and Risk Committee member name and title	Stephanie Foster (SES Member)
Qualifications, knowledge, skills and experience	<p>Stephanie Foster is Deputy Secretary, Governance, at PM&C. She served as internal SES member of the PM&C Audit and Risk Committee from 11 December 2017 to 30 March 2020.</p> <p>Ms Foster's experience is as follows:</p> <ul style="list-style-type: none"> • Ms Foster was Deputy Australian Public Service Commissioner from 2013 to 2017. • She was Deputy Secretary Department of Regional Australia, Local Government, Arts and Sports from 2011 to 2013. • She was Deputy Secretary Department of Infrastructure, Transport, Regional Development and Local Government from 2008 to 2011.
Number of meetings attended/total number of meetings held	2/3
Member remuneration (excl. GST)	NA

Audit and Risk Committee member name and title	Deborah Anton (SES Member)
Qualifications, knowledge, skills and experience	<p>Deborah Anton is a career public servant who has held senior executive roles across a range of portfolios. She has served as an internal member of the PM&C Audit and Risk Committee since November 2019.</p> <p>Ms Anton's experience and qualifications are as follows:</p> <ul style="list-style-type: none"> • Ms Anton has experience in policy, program design and delivery and has served as the Chief Operating Officer of IP Australia. • She has served as the Interim National Data Commissioner since 9 August 2018. In this role she is charged with leading APS reforms to data sharing. • Ms Anton holds a Bachelor of Science (Hons) and Masters of Management (Industry Strategy) from the ANU. She is also a Graduate of the Australian Institute of Company Directors course.
Number of meetings attended/total number of meetings held	3/3
Member remuneration (excl. GST)	NA

Risk management

The COVID-19 pandemic and the 2019–2020 bushfire season were unparalleled in terms of their scale and impact on the Department's operations. They demonstrated the need for a robust risk management framework in this complex, evolving and dynamic environment.

The PM&C Risk Management Policy and Framework sets out the Department's appetite, tolerance and approach for managing risk at both a strategic and an operational level. It provided guidance on assessing and managing risk in response to the purposes and priorities set out in the Corporate Plan and operational level risks that may affect the achievement of PM&C objectives. The Secretary and Executive Board endorsed the framework in May 2020. The framework assisted the Department to manage and respond to events effectively as they unfolded.

The Department manages three strategic risks:

- The welfare of our people is not managed well.
- We fail to deliver on the priorities of the Prime Minister and the Government, or on the critical enablers of government for which we are responsible.
- Our advice to the Prime Minister and the Government is not of high quality or not delivered on time.

Our framework champions a positive risk culture and fosters a 'no surprises' approach to managing risk across PM&C. The Chief Risk Officer (CRO) promoted this culture through regular communications and participation in decision making as a member of the Executive Board. The CRO communicated through a regular column in the staff newsletter promoting and encouraging a healthy approach to managing risk at all levels of the organisation.

The Secretary and the Executive Board provided a strong governance mechanism to ensure risk was effectively incorporated and managed at a strategic level. The Executive Board was supported by the PM&C Audit and Risk Committee, which provided independent advice on the Department's risks and the effectiveness of our controls. PM&C continued to improve its risk management by strengthening its business continuity framework, and work health and safety management system.

Climate risk

In 2019–20, the Secretaries Board, chaired by PM&C, circulated a direction statement that informed the APS about its responsibilities for managing climate and disaster risk. The statement set out what is expected of the APS in managing climate and disaster risks where relevant in Australian Government operations, policies, programs and assets. It was analogous to the requirements that apply in the private sector. This statement was disseminated within PM&C and guided our approach to addressing climate and disaster risks relevant to our operations.

Complaints management

The Department maintained its commitment to improving our services, welcoming feedback from the community on how we can improve. Under our complaints handling policy, PM&C investigated complaints about the advice we provided, the services we delivered, the conduct of our staff and PM&C procurement activities under the *Government Procurement (Judicial Review) Act 2018*.

In 2019–20, we revised our complaints handling policy and procedures to ensure they complied with best-practice complaints handling procedures recommended by the Commonwealth Ombudsman.

Between 1 July 2019 and 30 June 2020, PM&C investigated 20 complaints in line with our complaints handling policy.

No complaints were received under the *Government Procurement (Judicial Review) Act 2018*.

Fraud prevention and control

No perceived or actual instances of fraud were identified within PM&C in 2019–20.

PM&C maintained a zero-tolerance approach to fraud and corruption. We recognised that the national crises experienced during the last nine months could have presented new opportunities for fraudulent behaviour. PM&C participated in the Commonwealth Fraud Policy Working Group, an initiative run by the Commonwealth Fraud Prevention Centre in the Attorney-General's Department. The group developed

a national response to detecting and preventing fraud through knowledge sharing, collaboration and application of the latest strategies. This enabled PM&C to remain abreast of emerging fraud risks that are relevant to our operating environment space.

PM&C remained committed to preventing, detecting and responding to instances of real and suspected fraud by a staff member, contractor or those we partner with. Anyone who believed that a fraudulent activity had occurred within PM&C was encouraged to report the event via fraud@pmc.gov.au or our Fraud and Advice Hotline (02 6152 3598).

The Department's approach to fraud detection and prevention was reinforced through online e-learning induction training for all new employees with biennial refresher training.

External scrutiny

External audit

During the reporting period PM&C was invited to review and respond to an extract of the proposed audit report *Management of the Australian Government's Lobbying Code of Conduct—follow-up audit*. There were no recommendations from this follow-up audit relevant to PM&C.

PM&C is currently involved in the *Cyber security strategies of non-corporate Commonwealth entities* multi-portfolio performance audit. This is due to be tabled in October 2020.

Judicial decisions and other external scrutiny

PM&C was not subject to any judicial decisions or decisions of administrative tribunals or the Information Commissioner in 2019–20 that had, or may have had, a significant effect on PM&C's operations.

PM&C is subject to the *Freedom of Information Act 1982* (FOI Act) and complies with the requirements of the Information Publication Scheme (IPS) to publish a range of information on its website. PM&C prepared an IPS agency plan and published it on the PM&C website in accordance with subsection 8(1) of the FOI Act.

Our people

PM&C maintained a strong commitment to individual and organisational excellence. We worked closely with communities, with stakeholders and across all areas of government to provide robust, compelling and evidence-based advice to the Prime Minister and to the APS as the convening agency.

We invested in our people, fostered and actively promoted an inclusive and diverse workplace, and focused heavily on developing new and technologically savvy ways of working, particularly during the COVID-19 pandemic, to allow for wide-scale working-from-home arrangements.

Employment performance

Table 3.3: All Ongoing Employees Current Report Period (2019–20)*

	MALE			FEMALE			INDETERMINATE			TOTAL
	Full time	Part time	Total male	Full time	Part time	Total female	Full time	Part time	Total indet.	
NSW	1	-	1	1	-	1	-	-	-	2
Qld	-	-	-	-	-	-	-	-	-	-
SA	1	-	1	-	-	-	-	-	-	1
Tas	-	-	-	-	-	-	-	-	-	-
Vic	-	-	-	-	-	-	-	-	-	-
WA	-	-	-	-	-	-	-	-	-	-
ACT	315	13	328	541	99	640	-	-	-	968
NT	-	-	-	-	-	-	-	-	-	-
External territories	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-
TOTAL	317	13	330	542	99	641	-	-	-	971

*Staffing data in the 'Employment performance' section includes the Secretary.

Table 3.4: All Non-Ongoing Employees Current Report Period (2019–20)

	MALE			FEMALE			INDETERMINATE			TOTAL
	Full time	Part time	Total male	Full time	Part time	Total female	Full time	Part time	Total indet.	
NSW	-	-	-	-	-	-	-	-	-	-
Qld	-	-	-	-	-	-	-	-	-	-
SA	-	-	-	-	-	-	-	-	-	-
Tas	-	-	-	-	-	-	-	-	-	-
Vic	-	-	-	-	-	-	-	-	-	-
WA	-	-	-	-	-	-	-	-	-	-
ACT	27	5	32	41	11	52	-	-	-	84
NT	-	-	-	-	-	-	-	-	-	-
External territories	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-
TOTAL	27	5	32	41	11	52	-	-	-	84

Table 3.5: All Ongoing Employees Previous Report Period (2018–19)

	MALE			FEMALE			INDETERMINATE			TOTAL
	Full time	Part time	Total male	Full time	Part time	Total female	Full time	Part time	Total indet.	
NSW	31	-	31	41	10	51	-	-	-	82
Qld	28	1	29	50	7	57	-	-	-	86
SA	14	-	14	26	9	35	-	-	-	49
Tas	3	-	3	2	1	3	-	-	-	6
Vic	6	-	6	17	2	19	-	-	-	25
WA	22	1	23	48	8	56	-	-	-	79
ACT	483	25	508	839	218	1,057	-	-	-	1,565
NT	57	1	58	96	13	109	-	-	-	167
External territories	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-
TOTAL	644	28	672	1,119	268	1,387	-	-	-	2,059

Table 3.6: All Non-Ongoing Employees Previous Report Period (2018–19)

	MALE			FEMALE			INDETERMINATE			TOTAL
	Full time	Part time	Total male	Full time	Part time	Total female	Full time	Part time	Total indet.	
NSW	-	-	-	3	-	3	-	-	-	3
Qld	3	-	3	3	-	3	-	-	-	6
SA	1	-	1	4	-	4	-	-	-	5
Tas	1	-	1	-	-	-	-	-	-	1
Vic	1	-	1	1	-	1	-	-	-	2
WA	2	-	2	6	1	7	-	-	-	9
ACT	33	4	37	36	12	48	-	-	-	85
NT	1	-	1	7	-	7	-	-	-	8
External territories	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-
TOTAL	42	4	46	60	13	73	-	-	-	119

Table 3.7: Australian Public Service Act Ongoing Employees Current Report Period (2019–20)

	MALE			FEMALE			INDETERMINATE			TOTAL
	Full time	Part time	Total male	Full time	Part time	Total female	Full time	Part time	Total indet.	
SES 3	5	-	5	3	-	3	-	-	-	8
SES 2	6	-	6	8	-	8	-	-	-	14
SES 1	23	-	23	13	5	18	-	-	-	41
EL 2	47	4	51	81	11	92	-	-	-	143
EL 1	97	3	100	175	43	218	-	-	-	318
APS 6	77	5	82	134	21	155	-	-	-	237
APS 5	33	-	33	68	9	77	-	-	-	110
APS 4	11	-	11	38	10	48	-	-	-	59
APS 3	17	-	17	21	-	21	-	-	-	38
APS 2	-	-	-	1	-	1	-	-	-	1
APS 1	-	1	1	-	-	-	-	-	-	1
Other	1	-	1	-	-	-	-	-	-	1
TOTAL	317	13	330	542	99	641	-	-	-	971

Table 3.8: Australian Public Service Act Non-Ongoing Employees Current Report Period (2019–20)

	MALE			FEMALE			INDETERMINATE			TOTAL
	Full time	Part time	Total male	Full time	Part time	Total female	Full time	Part time	Total indet.	
SES 3	-	-	-	-	-	-	-	-	-	-
SES 2	1	-	1	1	-	1	-	-	-	2
SES 1	-	-	-	-	-	-	-	-	-	-
EL 2	1	-	1	3	-	3	-	-	-	4
EL 1	3	1	4	9	1	10	-	-	-	14
APS 6	12	-	12	14	2	16	-	-	-	28
APS 5	7	-	7	5	2	7	-	-	-	14
APS 4	3	-	3	8	1	9	-	-	-	12
APS 3	-	-	-	1	2	3	-	-	-	3
APS 2	-	4	4	-	3	3	-	-	-	7
APS 1	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
TOTAL	27	5	32	41	11	52	-	-	-	84

Table 3.9: Australian Public Service Act Ongoing Employees Previous Report Period (2018–19)

	MALE			FEMALE			INDETERMINATE			TOTAL
	Full time	Part time	Total male	Full time	Part time	Total female	Full time	Part time	Total indet.	
SES 3	8	-	8	3	-	3	-	-	-	11
SES 2	12	1	13	14	-	14	-	-	-	27
SES 1	35	1	36	36	10	46	-	-	-	82
EL 2	102	3	105	146	20	166	-	-	-	271
EL 1	214	18	232	332	110	442	-	-	-	674
APS 6	163	4	167	287	74	361	-	-	-	528
APS 5	54	-	54	149	29	178	-	-	-	232
APS 4	40	-	40	115	24	139	-	-	-	179
APS 3	15	-	15	34	1	35	-	-	-	50
APS 2	-	-	-	2	-	2	-	-	-	2
APS 1	-	1	1	1	-	1	-	-	-	2
Other	1	-	1	-	-	-	-	-	-	1
TOTAL	644	28	672	1,119	268	1,387	-	-	-	2,059

Table 3.10: Australian Public Service Act Non-Ongoing Employees Previous Report Period (2018–19)

	MALE			FEMALE			INDETERMINATE			TOTAL
	Full time	Part time	Total male	Full time	Part time	Total female	Full time	Part time	Total indet.	
SES 3	-	-	-	1	-	1	-	-	-	1
SES 2	1	-	1	1	-	1	-	-	-	2
SES 1	-	-	-	2	1	3	-	-	-	3
EL 2	3	-	3	5	2	7	-	-	-	10
EL 1	7	-	7	8	3	11	-	-	-	18
APS 6	11	1	12	18	3	21	-	-	-	33
APS 5	8	1	9	9	2	11	-	-	-	20
APS 4	11	-	11	15	2	17	-	-	-	28
APS 3	1	-	1	-	-	-	-	-	-	1
APS 2	-	2	2	1	-	1	-	-	-	3
APS 1	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
TOTAL	42	4	46	60	13	73	-	-	-	119

Table 3.11: Australian Public Service Act Employees by Full-time and Part-time Status Current Report Period (2019–20)

	ONGOING			NON-ONGOING			TOTAL
	Full time	Part time	Total ongoing	Full time	Part time	Total non-ongoing	
SES 3	8	-	8	-	-	-	8
SES 2	14	-	14	2	-	2	16
SES 1	36	5	41	-	-	-	41
EL 2	128	15	143	4	-	4	147
EL 1	272	46	318	12	2	14	332
APS 6	211	26	237	26	2	28	265
APS 5	101	9	110	12	2	14	124
APS 4	49	10	59	11	1	12	71
APS 3	38	-	38	1	2	3	41
APS 2	1	-	1	-	7	7	8
APS 1	-	1	1	-	-	-	1
Other	1	-	1	-	-	-	1
TOTAL	859	112	971	68	16	84	1,055

Table 3.12: Australian Public Service Act Employees by Full-time and Part-time Status Previous Report Period (2018–19)

	ONGOING			NON-ONGOING			TOTAL
	Full time	Part time	Total ongoing	Full time	Part time	Total non-ongoing	
SES 3	11	-	11	1	-	1	12
SES 2	26	1	27	2	-	2	29
SES 1	71	11	82	2	1	3	85
EL 2	248	23	271	8	2	10	281
EL 1	546	128	674	15	3	18	692
APS 6	450	78	528	29	4	33	561
APS 5	203	29	232	17	3	20	252
APS 4	155	24	179	26	2	28	207
APS 3	49	1	50	1	-	1	51
APS 2	2	-	2	1	2	3	5
APS 1	1	1	2	-	-	-	2
Other	1	-	1	-	-	-	1
TOTAL	1,763	296	2,059	102	17	119	2,178

Table 3.13: Australian Public Service Act Employment Type by Location Current Report Period (2019–20)

	ONGOING	NON-ONGOING	TOTAL
NSW	2	-	2
Qld	-	-	-
SA	1	-	1
Tas	-	-	-
Vic	-	-	-
WA	-	-	-
ACT	968	84	1,052
NT	-	-	-
External territories	-	-	-
Overseas	-	-	-
TOTAL	971	84	1,055

Table 3.14: Australian Public Service Act Employment Type by Location Previous Report Period (2018–19)

	ONGOING	NON-ONGOING	TOTAL
NSW	82	3	85
Qld	86	6	92
SA	49	5	54
Tas	6	1	7
Vic	25	2	27
WA	79	9	88
ACT	1,565	85	1,650
NT	167	8	175
External territories	-	-	-
Overseas	-	-	-
TOTAL	2,059	119	2,178

Table 3.15: Australian Public Service Act Indigenous Employment Current Report Period (2019–20)

	TOTAL
Ongoing	20
Non-ongoing	1
TOTAL	21

Table 3.16: Australian Public Service Act Indigenous Employment Previous Report Period (2018–19)

	TOTAL
Ongoing	292
Non-ongoing	15
TOTAL	307

Table 3.17: Details of Accountable Authority during the Reporting Period Current Report Period (2019–20)

NAME	POSITION TITLE / POSITION HELD	PERIOD AS THE ACCOUNTABLE AUTHORITY OR MEMBER WITHIN THE REPORTING PERIOD	
		DATE OF COMMENCEMENT	DATE OF CESSATION
Dr Martin Parkinson	Secretary	1 July 2019	30 August 2019
Ms Stephanie Foster	Secretary	31 August 2019	1 September 2019
Mr Philip Gaetjens	Secretary	2 September 2019	30 June 2020

Inclusion and diversity

PM&C's commitment to inclusion and diversity reflects the importance we place on our people and on creating a workplace culture in which every employee is valued and respected for their contribution.

PM&C's Inclusion and Diversity Committee progressed inclusion and diversity initiatives within the Department. The committee provided strategic advice on the Department's inclusion and diversity agenda, as well as alignment of diversity initiatives with business goals. The committee, chaired by the Secretary, included members from the Executive Board and PM&C's Inclusion and Diversity Champions.

Diversity and inclusion initiatives were driven by the Deputy Secretary Inclusion and Diversity Champion, and were supported by seven Executive Champions and staff-led employee networks:

- Gender Champion—Women's Network
- Indigenous Champion—Mara Network (Aboriginal and Torres Strait Islander)
- Wellbeing Champion—Wellbeing Network
- Ability Champion—Ability Network (Disability)
- Pride Champion—Pride Network (Lesbian, Gay, Bisexual, Transgender, Intersex and Queer (LGBTIQ))
- Culturally and Linguistically Diverse (CALD) Champion—CALD Network
- Reconciliation Champion—Reconciliation Action Plan Working Group.

The Champions and employee networks supported and celebrated difference and developed ideas for valuing diversity and fostering inclusion. The networks provided visible leadership and support, facilitated effective consultation and advanced issues that matter to staff.

Inclusion and diversity workforce information, including but not limited to information relating to PM&C's staff with a disability, is publicly reported in the *APS statistical bulletin*.

CASE STUDY

Supporting PM&C's Inclusion and Diversity Networks

In 2019–20, PM&C's Inclusion and Diversity Networks and their Executive Champions helped the Department achieve its commitment to a workplace in which all employees are valued regardless of their gender, culture, sexuality or abilities. The seven networks played a vital role in promoting diversity and inclusion issues across the Department.

In July 2019, the PM&C Indigenous Affairs Group became a new executive agency—the National Indigenous Australians Agency (NIAA)—within the PM&C portfolio.

PM&C took this opportunity to build on the strengths and achievements of the existing Inclusion and Diversity Networks to establish new networks to reflect the priorities, needs and identities of the members of the NIAA. PM&C Corporate supported the new networks during the transition by:

- extending the roles of current Network Chairs over the transition period
- releasing all-staff communications on the transition
- conducting an online membership drive
- providing ongoing advice on corporate priorities
- supporting regular cross-network meetings.

The PM&C Communications team developed new branding for each network and Executive Champion.

In November 2019, PM&C held its first Love Your Networks Day—an internal Fair Day event designed to showcase the new networks. Staff were able to meet with network representatives, become a network member and make a personal pledge to promote inclusion and diversity at PM&C. The event was opened by the Inclusion and Diversity Champion and was supported by the Executive Champions, who proudly promoted their networks.

PM&C People Branch representatives braved the sun and heat to host a barbecue to raise money for Marymead—a not-for-profit organisation that delivers a range of family support services to children, young people and

their families. The event supported local business Krofne—a Canberra-based bakery that creates employment opportunities for teens and adults with special needs. The event was a huge success, resulting in great engagement from staff and new network members, and it was a fantastic opportunity to promote the great work of the networks.

The Love Your Networks Day event was also used to launch the newly established PM&C Wellbeing Network and welcome the dedicated Wellbeing Champion. The Wellbeing Network was established to assist PM&C become a mentally healthy workplace and ensure all PM&C employees are supported to balance work and mental health challenges as they arise.



Love Your Networks Day held on 14 November 2019 in the courtyard of the Andrew Fisher Building, Barton.

Secretaries Equality and Diversity Council

Until February 2020, PM&C convened the Secretaries Equality and Diversity Council—a quarterly meeting of all APS departmental secretaries and two external members whose aim was to create a more diverse and inclusive APS. It led work on:

- APS-wide equality and diversity strategies, including the Gender Equality Strategy, the Commonwealth Aboriginal and Torres Strait Islander Employment Strategy and the Disability Employment Strategy
- APS workplace responses to domestic and family violence
- removing barriers to employment and progression for people with disability, people from CALD backgrounds, people who identify as part of the LGBTIQ community, and Aboriginal and Torres Strait Islander peoples
- transformative cultural change through inclusive work practices.

In early 2020, members recognised that there had been a significant shift in how the APS deals with inclusion and diversity. In line with recommendations from the APS reform agenda, members agreed that inclusion and diversity must now be incorporated into the core strategic decision-making body of the APS in order to drive better outcomes.

Members subsequently agreed to elevate matters of inclusion and diversity to the Secretaries Board and that the newly established Chief Operating Officers Committee would be leveraged to drive inclusion and diversity at an operational level across the APS. The Secretary thanked external members Professor Tom Calma AO and Ms Kathryn Fagg AO for their time on the council.

Aboriginal and Torres Strait Islander peoples

National Aborigines and Islanders Day Observance Committee (NAIDOC)

Every year NAIDOC Week gives all staff at PM&C the opportunity to celebrate the history, culture and achievements of Aboriginal and Torres Strait Islander peoples.

Once again this year, our NAIDOC Week events gave us an opportunity to build community among Indigenous and non-Indigenous staff and encourage collaboration on Indigenous issues within the Department. The week's events began with a Flag

Raising Ceremony at One National Circuit, Barton. The Flag Raising Ceremony incorporated the raising of three flags—the Australian Flag, the Aboriginal Flag and the Torres Strait Islander Flag—by staff and Indigenous community members. Afterwards, staff took part in various NAIDOC craft events and the annual APS NAIDOC touch football carnival, NAIDOC Block Party and NAIDOC Happy Hour, held by NIAA ACT Region ATSIEN (Aboriginal and Torres Strait Islander Employee Network) in collaboration with the PM&C Inclusion and Diversity Networks.

PM&C and NIAA held a joint NAIDOC Staff Awards event. The NAIDOC Staff Awards recognise employees who have gone above and beyond to make a positive impact on the lives of Aboriginal and Torres Strait Islander peoples. The event, jointly hosted by the PM&C Secretary and the NIAA CEO, was widely attended by both PM&C and NIAA staff, who enjoyed the opportunity to celebrate the achievements of their peers.

Awards were given to two individual employees and five teams from across the two organisations. Recipients demonstrated outstanding performance in the provision of policies, programs and services that impact positively on Aboriginal and Torres Strait Islander peoples and communities. Staff were treated to a didgeridoo performance by Dunghutti and Gamilaroi man Chaydin Reid; and a selection of Indigenous foods from local Indigenous catering company Ribanas Catering.

Reconciliation

On 4 March 2019, PM&C launched its 'Stretch' Reconciliation Action Plan (RAP) 2018–2020, which outlined the next steps for embedding reconciliation within the Department. Following the creation of the NIAA as a new executive agency in July 2019, a new RAP Working Group was established to drive the deliverables that remained applicable to PM&C. The RAP Working Group worked diligently to implement the RAP under the guidance of the PM&C RAP Champion.

PM&C commemorated National Reconciliation Week (NRW) 2020 in new and unique ways as a result of changes to the working environment brought about by the COVID-19 pandemic. The PM&C Reconciliation Champion opened the week with a virtual commitment to ongoing reconciliation. PM&C employees then had an opportunity to attend various virtual activities, including watching Indigenous-made films, attending virtual Ngunawal (Canberra, Nation) language workshops and joining the RAP Virtual Book Club.

PM&C also recognised NRW by producing the PM&C NRW2020 Video Series. The series features employees from PM&C, NIAA, the National Bushfire Recovery Agency and the Australian Public Service Commission, as well as guests from the public sector, including Karen Mundine, Chief Executive Officer of Reconciliation Australia.

The video series highlighted the NRW theme, 'In This Together', while demonstrating collaboration, respect and understanding during times of uncertainty and change.

Indigenous talent attraction and development

During 2019–20, PM&C maintained its commitment to retaining and growing our Aboriginal and Torres Strait Islander workforce through the delivery of the PM&C Graduate Program and participation in the Sir Roland Wilson Pat Turner Scholarship. PM&C also committed to several Affirmative Measures recruitment rounds to address the under-representation of Aboriginal and Torres Strait Islander Australians in the APS.

Flexible work

Workplace flexibility gives employees choice about how, when and where they work in consultation with their manager and taking into account operational requirements—for example, they can choose to work outside standard business hours or work from home for a portion of their week. Flexible work can help to stimulate greater innovation, collaboration and productivity.

Flexible work is an important lever for employee wellbeing, inclusivity and productivity at PM&C. The Department has had an 'if not, why not' approach to flexible work for several years. During that time we have developed flexible options that benefit both our people and PM&C outcomes. Flexible work in PM&C is underpinned by modern IT infrastructure that enables activity-based and remote working, including by ensuring that all staff have personal laptops.

Because of our early adoption of flexible work practices, we were well prepared to deal with the social distancing challenges arising from the COVID-19 pandemic. When physical distancing was introduced in March 2020, PM&C had the necessary technical capacity and policies in place to allow us to rapidly move our workforce out of the office. Thanks to our fully integrated IT systems, strong people management frameworks and work health and safety guidance, staff were able to seamlessly continue to deliver critical outcomes for the Prime Minister, the Cabinet and the Australian people while working from home. For PM&C managers, this period was a masterclass in leading teams remotely, while confirming that it is possible to be just as effective regardless of whether you are working flexibly or from the office. In an internal staff pulse survey run in May 2020, most respondents reported that levels of productivity and wellbeing were maintained, or in some cases improved, while working flexibly as a result of the pandemic compared with levels prior to COVID-19.

Workplace response to domestic and family violence policy

In 2019–20, PM&C continued to support the Australian Government's National Plan to Reduce Violence against Women and their Children 2010–2022 by providing workplace responses to employees affected by domestic and family violence.

On 25 November 2019, PM&C participated in the International Day for the Elimination of Violence Against Women, taking the opportunity to launch its revised Family, Domestic and Intimate Partner Policy. The seminar featured keynote speaker Natasha Stott Despoja AO, the founding Chair of Our Watch, who shared her message on the need for changed attitudes and behaviours towards domestic violence both in Australia and internationally. Ms Stott Despoja was joined for a question and answer session by Mirjana Wilson, CEO of the Canberra Domestic Violence Crisis Service. Attendees also heard from a community member who works as a Voices for Change Advocate, who shared her lived experience of domestic violence, providing staff with real-life examples of the complexities surrounding different forms of domestic violence.

The seminar provided an opportunity to understand the complex issues associated with domestic violence and its impact on those who experience it. The event raised money for local women's refuge Karinyah House.

Recruitment

PM&C continued its commitment to recruiting staff through a range of entry pathways. In 2019–20, we ran two specialist recruitment programs and participated in five external programs:

- PM&C Graduate Program (internal)
- Indigenous Australian Government Development Program
- Indigenous Apprenticeship Program
- Australian Indigenous Graduate Pathway
- Domestic Policy Group Summer Intern Program (internal)
- Australian Government ICT Graduate Program
- APSC Centralised Specialist Streams—Economist, Data and STEM.

Employment arrangements

The terms and conditions of employment for non-SES employees are covered by the PM&C Enterprise Agreement 2017–2020. Individual flexibility arrangements are also made with non-SES employees where this meets the genuine needs of PM&C and the employee.

The terms and conditions of employment for substantive SES employees were provided by individual section 24(1) determination made under the *Public Service Act 1999*. One section 24(1) determinations was in place covering a number of non-SES employees. Data on employment arrangements for all departmental staff is provided at Table 3.18 below.

Table 3.18: Australian Public Service Act Employment Arrangements Current Report Period (2019–20)

	SES	NON-SES	TOTAL
Enterprise agreement	-	989	989
Section 24(1) determination	65	15	80
Individual flexibility arrangement	-	30	30

Note: Non-SES employees covered by individual flexibility arrangements and Section 24(1) determinations are also included in the enterprise agreement total.

Table 3.19: Australian Public Service Act Employment Salary Ranges by Classification Level (Minimum/Maximum) Current Report Period (2019–20)

	MINIMUM SALARY	MAXIMUM SALARY
SES 3	\$352,084	\$397,857
SES 2	\$263,971	\$292,721
SES 1	\$199,824	\$232,806
EL 2	\$125,115	\$148,907
EL 1	\$107,494	\$122,513
APS 6	\$83,647	\$94,000
APS 5	\$75,626	\$80,851
APS 4	\$68,495	\$73,253
APS 3	\$62,967	\$65,586
APS 2	\$56,384	\$60,084
APS 1	\$48,006	\$52,490
Other	-	-
MINIMUM/MAXIMUM RANGE	\$48,006	\$397,857

Executive remuneration

Remuneration for SES employees is governed by the Australian Public Service Commission's Executive Remuneration Management Policy and PM&C's SES Performance Framework. The refreshed framework sets out the behaviours and performance expectations for SES, in line with the PM&C Performance Model, and outlines a clear and transparent approach to remuneration through the SES pay point structure.

Movement within the pay points is not automatic—it reflects sustained and/or exceptional performance. Pay point movements were determined by the Executive Board for SES Band 1 and SES Band 2; and by the Secretary for SES Band 3.

In light of the challenging economic outlook and community expectations flowing from the COVID-19 pandemic, the Government announced a stay on increases to remuneration, entitlements and allowances for SES employees from March 2020 until the resolution of challenges arising from the COVID-19 pandemic.

Executive Vehicle Allowance (EVA) was a component of base salary, meaning allowances paid to the SES are minimal and specific to individual circumstances. PM&C did not pay performance bonuses.

Remuneration for the Secretary and statutory office holders was determined by the Remuneration Tribunal. Remuneration for other highly paid staff within PM&C was governed by Part 6 of the *Commonwealth entities executive remuneration reporting guide for annual reports*.

Executive remuneration is reported in accordance with the Public Governance, Performance and Accountability Amendment (Reporting Executive Remuneration) Rules 2019. The remuneration disclosed in these tables is determined on an accrual basis in line with financial statements and differs from actual remuneration, which is prepared on a cash basis. Because of this, the Secretary's remuneration here differs from that amount disclosed under the Remuneration Tribunal Determination.

During the reporting period to 30 June 2020, PM&C had 13 individuals who met the definition of key management personnel (KMP). Their names, length of term as KMP and remuneration details are in Tables 3.20 and 3.21. In addition, aggregated remuneration information for 112 senior executives is shown in Table 3.23. During the period, PM&C had no other highly paid staff who met the disclosure threshold for reporting.

Table 3.20: Key management personnel (KMP) details for the reporting period

NAME	POSITION	TERM
BISHOP, Theresa L	Deputy Secretary	29/07/19 – 13/10/19
DUGGAN, Simon J	Deputy Secretary	Full year
EDWARDS, Caroline A	Deputy Secretary	25/11/19 – 30/05/20
FOSTER, Stephanie C*	Deputy Secretary	Full year
GAETJENS, Philip G	Secretary	02/09/19 – 30/06/20
GILMARTIN, Tomas N	Chief Operating Officer	30/03/20 – 30/06/20
GRUEN, David	Deputy Secretary	01/07/19 – 10/12/19
LARKINS, Alison D	Deputy Secretary	01/07/19 – 08/11/19
MILLAR, Caroline J	Deputy Secretary	Full year
PARKINSON, Martin	Secretary	01/07/19 – 30/08/19
PATTERSON, Cath	A/g Deputy Secretary	Long-term acting 24/02/20 – 30/06/20
WILLIAMSON, David C	Deputy Secretary	01/07/19 – 09/08/19
WOOD, Paul	Chief Operating Officer	1/07/19 – 29/03/20

*Ms Foster acted in the role of Secretary and Associate Secretary at various times throughout 2019–20.

Table 3.21: Key management personnel (KMP) summary remuneration for the reporting period (\$)

Base salary	3,311,442
Bonuses	-
Other benefits and allowances	20,035
Total short-term benefits	3,331,478
Superannuation contribution	466,808
Total post-employment benefits	466,808
Long service leave	107,304
Other long-term benefits	-
Total other long-term benefits	107,304
Termination benefits	880,414
Total remuneration	4,786,004

Table 3.22: 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			
BISHOP, Theresa L	Deputy Secretary	97,452	-	11,502	12,513	1,005	-	-	-	122,471
DUGGAN, Simon J	Deputy Secretary	402,374	-	-	67,473	13,869	-	-	-	483,715
EDWARDS, Caroline A	Deputy Secretary	108,807	-	-	19,190	3,198	-	-	-	131,196
FOSTER, Stephanie C	Deputy Secretary	493,695	-	-	71,442	30,083	-	-	-	595,220
GAETJENS, Philip G	Secretary	740,375	-	833	97,939	21,219	-	-	-	860,366
GILMARTIN, Tomas N	Chief Operating Officer	98,580	-	7,700	14,026	1,056	-	-	-	121,362
GRUEN, David	Deputy Secretary	194,471	-	-	29,881	8,844	-	-	-	233,197
LARKINS, Alison D	Deputy Secretary	144,675	-	-	18,840	1,670	-	-	-	165,185
MILLAR, Caroline J	Deputy Secretary	389,229	-	-	64,572	11,658	-	-	-	465,459
PARKINSON, Martin	Secretary	168,147	-	-	4,976	5,237	-	880,414	-	1,058,773
PATTERSON, Cath	A/g Deputy Secretary	141,284	-	-	17,887	2,846	-	-	-	162,017
WILLIAMSON, David C	Deputy Secretary	48,071	-	-	7,734	1,351	-	-	-	57,155
WOOD, Paul	Chief Operating Officer	284,284	-	-	40,336	5,268	-	-	-	329,888
TOTAL		3,311,442	-	20,035	466,808	107,304	-	880,414	-	4,786,004

Table 3.23: 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 LONG-SERVICE LEAVE	AVERAGE OTHER LONG-TERM BENEFITS		
\$0—\$220,000	72	93,047	-	481	12,377	3,736	-	109,642	
\$220,000—\$245,000	3	204,347	-	22	26,600	4,759	-	235,728	
\$245,000—\$270,000	9	218,426	-	33	30,813	10,035	-	259,306	
\$270,000—\$295,000	13	229,246	-	325	35,495	10,373	6,986	282,425	
\$295,000—\$320,000	3	255,671	-	-	39,938	8,151	-	303,760	
\$320,000—\$345,000	4	282,179	-	21	43,859	8,502	-	334,561	
\$345,000—\$370,000	4	254,029	-	291	41,909	8,767	52,208	357,203	
\$370,000—\$395,000	4	319,067	-	879	51,083	11,274	-	382,302	
TOTAL	112	146,844	-	392	21,223	5,777	2,675	176,913	

Performance pay and other benefits

PM&C did not offer performance pay to staff in 2019–20.

Employees had access to a range of monetary benefits such as salary sacrifice of additional superannuation and leased motor vehicles; and non-monetary benefits such as flexible work arrangements and generous leave entitlements.

Performance Management Framework

In 2019–20, PM&C implemented a new Performance Management Framework that supported a high-performance culture consistently over time, and in line with our organisational priorities and the Department's strategic objectives. The framework used a strengths-based approach to performance—we focused on leveraging and developing our strengths; and identifying actions we could take to improve weaknesses. This strengths-based approach supported our employees to strive for excellence and for managers to get the best out of their teams.

Learning and development

In 2019–20, PM&C delivered the EL2 Leadership Forum, which connected EL2 officers as a leadership cohort and explored perspectives on leadership, innovation, global trends and people management. Across the APS, leadership has typically been focused at the senior executive level. However, it is typically the EL2 cohort that drives cultural practices, change management and strategic direction.

In 2018–19, PM&C expanded the Practical Management Workshop Series with new modules, including on recruitment, working together and performance appraisals. In addition, in response to the COVID-19 pandemic, we delivered a module on leading remote teams. These short, focused workshops are developed and delivered in-house. In late 2019, we launched a new Coaching Panel, with independent career advisory coaches contracted to provide one-on-one advice, knowledge and guidance to staff on all aspects of career development.

Our learning and development program was supported by the addition of The Learning Continuum, which provided a range of recommended learning opportunities on the PM&C intranet linked to our Performance Model. In 2019–20, we were proud to deliver bespoke training on Mental Health Conversations and look forward to adding our next bespoke training—Beyond Indigenous Cultural

Competency—to our learning and development program. Our program continued to be supported by our Guest Speaker Series, Learnhub and Lynda.com. PM&C also supported employees via Studies Assistance.

Work health and safety

PM&C continued its commitment to promoting and sustaining a safe and healthy workplace—one that values inclusion and ensures a healthy, resilient and capable workforce.

The Secretary signed our Workplace Health and Safety Commitment statement on 25 November 2019. The statement reaffirmed the executive's commitment to providing strong visible leadership to embed and sustain a robust safety and wellbeing culture that enables safe and healthy workplaces.

In 2019–20, a key focus was to review and update existing arrangements, policies and procedures for work health and safety (WHS) and wellbeing to align them with the structure, composition and organisational priorities of PM&C. Initiatives undertaken to support this included:

- consulting on a revised workgroup structure to better support more productive and local communications and consultation with staff representatives on WHS matters
- revising the Due Diligence Framework and Manual, supported by both face-to-face and online training
- conducting an internal audit of the WHS management system stages 1 and 2 to determine its compliance against AS/NZS ISO 45001:2018
- launching and implementing the Wellbeing Strategy to increase manager capability in managing staff with a mental health challenge, promote staff accountability for their own and their peers' wellbeing and strengthen mental health literacy across PM&C
- reviewing and updating the Health, Safety and Wellbeing Committee, including revised Terms of Reference and changed membership to reflect the current organisational structure
- delivering campaigns to increase staff awareness and participation in workplace health, safety and wellbeing initiatives, including National Safe Work Month and Mental Health Awareness Week.

An unexpected major focus for 2019–20 was our response to the COVID-19 pandemic and air quality issues from the 2019–2020 bushfire crisis. It included:

- working with key internal and external stakeholders to ensure prompt communication and implementation of advice issued by the Department of Health
- developing resources to support managers and staff in response to national and international crises
- designing and implementing working from home guidance and a supporting checklist to enable staff to set up a safe workspace while working remotely
- undertaking risk assessments for working from home, ensuring staff safety in the common areas of the buildings and returning to the office to ensure that all hazards were identified and risks mitigated
- continuing to implement measures to support the physical and mental health of staff during a dynamic and rapidly changing period of time.

One dangerous incident was mandatorily notified to Comcare in 2019–20.

Environmental performance

PM&C is responsible to the Australian Government and the wider community to minimise the impact of our operations on the environment.

In 2019–20, we continued to mitigate the effects of our impact on the environment by:

- considering environmental sustainability in our purchasing decisions where appropriate
- complying with all relevant Commonwealth, state and territory environment-related legislation, regulations, policies and initiatives
- continuing to increase our use of technology, such as telepresence and desktop videoconferencing, to facilitate meetings where appropriate so we could reduce interstate travel
- encouraging and supporting staff to use environmentally friendly modes of transport through measures such as the introduction of an e-bike charging facility at the Andrew Fisher Building, 1 National Circuit, Barton.

We minimised 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 2.5 stars for water at the Andrew Fisher Building, 1 National Circuit, Barton
- monitoring energy usage at our properties to identify potential savings
- 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 70,000 litre rainwater tank to flush toilets and water the gardens at Andrew Fisher Building, 1 National Circuit, Barton
- installing LED lighting in the Andrew Fisher Building, 1 National Circuit, Barton car parking area to reduce energy consumption
- encouraging recycling by providing recycling bins as well as waste bins, and sending suitable waste for composting by a recycling provider
- using drought-tolerant plants in gardens at Andrew Fisher Building, 1 National Circuit, Barton
- maintaining an Environmental Management System based on the Australian Standard AS/NZS ISO 14001
- defaulting office printers to black-and-white and two-sided printing
- using energy saver mode for most office equipment when not in use across Canberra office locations.

Financial management

PM&C's 2019–20 financial statements are presented on pages 196-249 of this report. The Auditor-General issued an unmodified audit opinion of these statements.

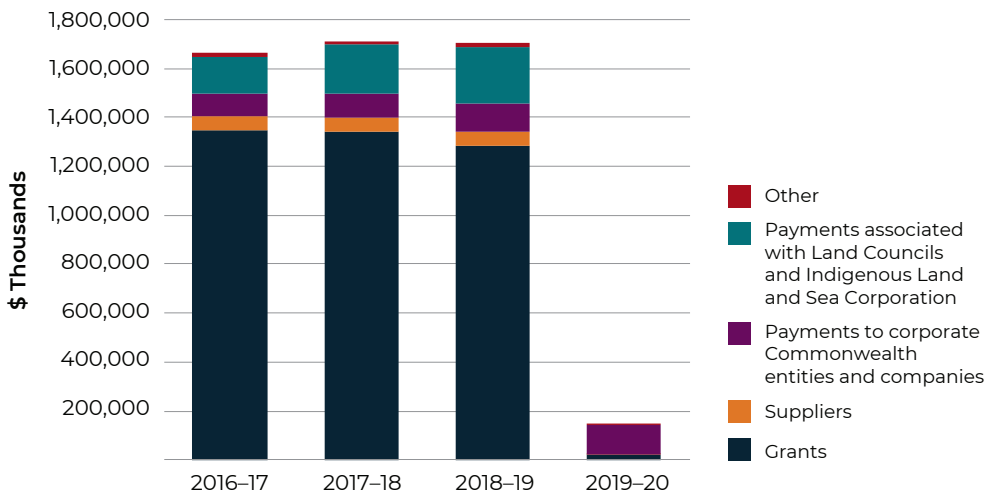
Activities administered on behalf of Government

In 2019–20, PM&C administered one program on behalf of Government. Administered expenses totalled \$146.4 million and comprised primarily of payments to corporate Commonwealth entities and companies (\$119.2 million, 81.4 per cent of the total) and grant payments (\$21.0 million, 14.3 per cent of the total).

Administered expenditure included:

- \$119.2 million for payments to corporate Commonwealth entities and companies
- \$3.7 million for supplier expenses
- \$21.0 million for grants expenditure, of which \$17.0 million was for payments to the National Australia Day Council and \$3.9 million was for payments for Office for Women programs.

Graph 3.1 Breakdown of administered expenses

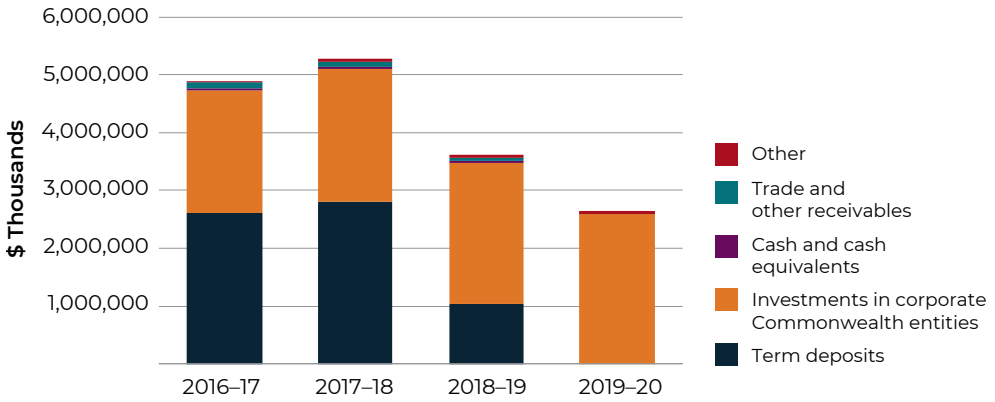


The significant decrease in administered expenditure is due to the transfer of the Indigenous Affairs functions to the National Indigenous Australians Agency (NIAA).

As at 30 June 2020, PM&C's administered assets totalled \$2,650.3 million.

Administered assets decreased from prior years primarily due to the transfer of the Indigenous Affairs function to the NIAA.

Graph 3.2 Breakdown of administered assets



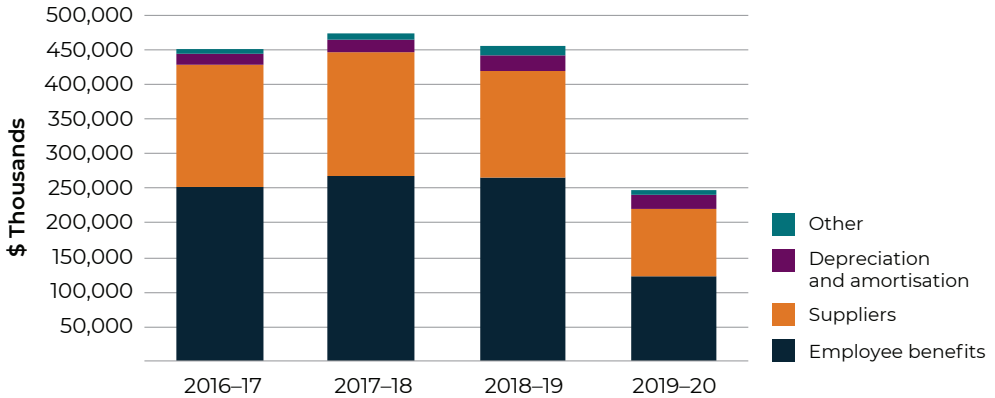
As at 30 June 2020, PM&C administered liabilities totalled \$20.7 million. This figure included the provision for future non-cash benefits to be provided to former Governors-General.

Departmental activities

PM&C reported an operating deficit of \$13.0 million. After adjusting for unfunded depreciation and amortisation expenses and non-cash asset write-downs and impairments, PM&C recorded a small operating surplus.

In 2019-20 departmental expenses totalled \$247.8 million.

Graph 3.3 Breakdown of expenses



The significant decrease in expenditure is due to the transfer of the Indigenous Affairs functions to the NIAA.

Departmental income totalled \$69.5 million and comprised revenue from contracts with customers, resources received free of charge and asset gains. Departmental income increased due to the provision of enabling services.

As at 30 June 2020, PM&C had a positive net asset position of \$61.4 million. Assets totalled \$235.8 million. PM&C's liabilities totalled \$174.4 million as at 30 June 2020, including employee provisions, supplier accruals and lease liabilities.

Graph 3.4 Breakdown of assets

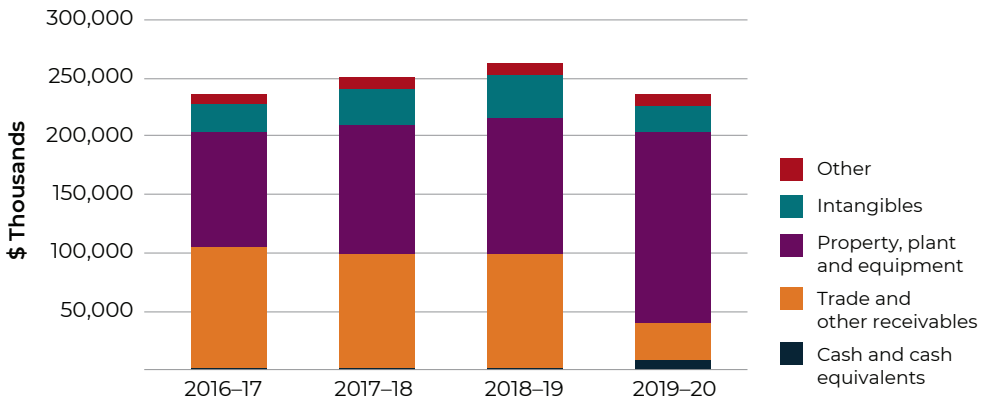


Table 3.24: Resourcing statement

		ACTUAL AVAILABLE APPROPRIATION FOR 2019–20	PAYMENT MADE 2019–20	REMAINING BALANCE 2019–20
		\$'000 (A)	\$'000 (B)	\$'000 (A)–(B)
Departmental appropriation ^{1,2}		279,090	250,658	28,432
Total		279,090	250,658	28,432
Administered expenses³				
Prior year administered appropriation		-	-	
Outcome 1: Prime Minister and Cabinet		34,730	28,736	
Payments to corporate Commonwealth entities and companies ⁴		119,185	119,185	
Total		153,915	147,921	
Total ordinary annual services	A	433,005	398,579	
Departmental non-operating				
Equity injections ⁵		139	-	139
Total		139	-	139
Administered non-operating				
Administered assets and liabilities				
Payments to corporate Commonwealth entities and companies non-operating		25,035	25,035	
Total		25,035	25,035	
Total other services	B	25,174	25,035	

		ACTUAL AVAILABLE APPROPRIATION FOR 2019–20	PAYMENT MADE 2019–20	REMAINING BALANCE 2019–20
		\$'000 (A)	\$'000 (B)	\$'000 (A)–(B)
Total available annual appropriations and payments	A+B	458,179	423,614	

Special accounts⁶				
Opening balance		37,779		
Appropriation receipts		-		
Non-appropriation receipts to special accounts		100		
Adjustments		(37,552)		
Payments made			327	
Total special accounts	C	327	327	-

Total resourcing and payments				
A+B+C		458,506	423,941	
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		458,506	423,941	

¹ *Appropriation Act (No. 1) 2019–20, Supply Act (No. 1) 2019–20 and Appropriation Act (No. 3) 2019–20*. This may also include prior-year departmental appropriation and section 74 retained revenue receipts. For further details refer to Note 5.1 to the financial statements.

² Includes an amount of \$20.174 million in 2019–20 for the departmental capital budget. For accounting purposes, this amount was designated as 'contributions by owners'.

³ Includes an amount of \$1.233 million in 2019–20 for the administered capital budget. For accounting purposes, this amount was designated as 'contributions by owners'.

⁴ Corporate Commonwealth entities are corporate Commonwealth entities and Commonwealth companies as defined under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

⁵ *Appropriation Act (No. 2) 2019–20* equity injections and prior year equity injections.

⁶ Does not include special public money held in accounts like Services for Other Entities and Trust Moneys special accounts (SOETM).

Expenses for Outcome 1

Outcome 1: Provide high-quality policy advice and support to the Prime Minister, the Cabinet, Portfolio Ministers and Assistant Ministers, including through the coordination of government activities, policy development, and program delivery.

Table 3.25: Expenses for Outcome 1

	BUDGET*	ACTUAL	VARIATION
	2019–20	EXPENSES	2019–20
	\$'000	\$'000	\$'000
	(A)	(B)	(A)–(B)
Program 1.1: Prime Minister and Cabinet			
<i>Administered expenses</i>			
Ordinary annual services (Appropriation Acts Nos 1, 3 and 5)	147,340	144,941	2,399
Special appropriations	10	-	10
Special accounts	27,646	327	27,319
Expenses not requiring appropriation in the Budget year ²	716	1,155	(439)
<i>Departmental expenses</i>			
Departmental appropriation ¹	217,433	219,943	(2,510)
Expenses not requiring appropriation in the Budget year ²	9,014	27,849	(18,835)
Total for Program 1.1	402,159	394,215	7,944
Outcome 1 Totals by appropriation type			
<i>Administered expenses</i>			
Ordinary annual services (Appropriation Act No. 1)	147,340	144,941	2,399
Special appropriations	10	-	10
Special accounts	27,646	327	27,319
Expenses not requiring appropriation in the Budget year ²	716	1,155	(439)
<i>Departmental expenses</i>			
Departmental appropriation ¹	217,433	219,943	(2,510)

	BUDGET*	ACTUAL	VARIATION
	2019–20	EXPENSES	2019–20
	\$'000	\$'000	\$'000
	(A)	(B)	(A)–(B)
Expenses not requiring appropriation in the Budget year ²	9,014	27,849	(18,835)
Total expenses for Outcome 1	402,159	394,215	7,944

	2019–20	2019–20	Variation
	Budget	Actuals	
Average staffing level (number)	926	867	59

* Full year budget, including any subsequent adjustment made.

¹ Departmental appropriation combines ordinary annual services (Appropriation Acts Nos 1 and 3) and Retained Revenue Receipts under section 74 of the PGPA Act.

² Expenses not requiring appropriation in the Budget year are made up of depreciation and amortisation expenses, impairment of receivables, make-good expense, audit fees and services provided free of charge.

Procurement

In 2019–20, PM&C undertook procurement and purchasing activities in accordance with the principles set out in the Commonwealth Procurement Rules (CPRs).

The CPRs were applied to PM&C's procurement activities through the Accountable Authority Instructions, supporting operational guidelines and procurement framework. PM&C procurements were also supported by the provision of centralised advice on all procurement matters. This ensured that PM&C undertook competitive, non-discriminatory procurement processes; used resources efficiently, effectively, economically and ethically; and made decisions in an accountable manner.

In 2019–20, PM&C awarded 49 new contracts over \$10,000 to Indigenous businesses. This represented 9.5 per cent of all PM&C contracts awarded with a value over \$10,000. The total estimated value of contracts PM&C awarded to Indigenous businesses in 2019–20 was \$10.5 million, or 12 per cent of total contract value.

PM&C's standard contract templates included provisions allowing the Auditor-General to have access to the relevant contractor's premises. Contracts of \$100,000 or greater (inclusive of GST) that were let during 2019–20 provided for the Auditor-General to have access to the relevant contractor's premises where appropriate.

There were no contracts in 2019–20 in excess of \$10,000 (inclusive of GST) that were exempt from being reported on AusTender on the basis that they would disclose exempt matters under the *Freedom of Information Act 1982*.

Information on procurements expected to be undertaken in 2020–21 through an open approach to market is published in PM&C’s annual procurement plan, available on the AusTender website (www.tenders.gov.au).

Consultants

PM&C engaged consultants when it needed specialist expertise, independent research, review or assessment. Decisions to engage consultants during 2019–20 were made in accordance with the PGPA Act and related regulations, including the CPRs and relevant internal policies.

During 2019–20, 24 new consultancy contracts were entered into involving total actual expenditure of \$1.63 million. In addition, 12 ongoing consultancy contracts were active during the period involving total actual expenditure of \$0.59 million. Details of trends in consultancies are shown in Table 3.26. This annual report contains information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website (www.tenders.gov.au).

Table 3.26: Trends in consultancies

CONSULTANCIES	2019–20	2018–19	2017–18
Number of ongoing consultancies	12	35	24
Number of new consultancies	24	57	101
Total consultancies	36	92	125
TOTAL EXPENDITURE	\$2.22 MILLION	\$10.42 MILLION	\$7.05 MILLION

Small and medium enterprises

PM&C 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.

PM&C supported small business participation in the Commonwealth Government procurement market. Small and medium enterprise (SME) and small enterprise participation statistics are available on the Department of Finance website (www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts).

PM&C's procurement practices supported SMEs by adopting whole-of-government solutions to simplify interactions with SMEs.

This includes:

- using the Commonwealth Contracting Suite for low-risk procurements valued under \$200,000
- implementing the Indigenous Procurement Policy, noting that many Indigenous businesses are also SMEs
- using the Australian Industry Participation policies and programs to encourage SME engagement opportunities
- using credit cards for procurements valued below \$10,000
- complying with the Government's Supplier Pay on Time or Pay Interest Policy.

Advertising and market research

Under section 311A of the *Commonwealth Electoral Act 1918*, PM&C is required to disclose payments of \$14,000 or more (inclusive of GST) for advertising and market research.

FIRM	SERVICE PROVIDED	\$ INCL GST	\$ EXCL GST
Australian Survey Research Group Pty Ltd	Conducted a 10 minute 'small business insights survey', an online survey of business owners and/or senior managers.	25,603	23,275
Highchair Pty Ltd & The Civic Group Holdings Pty Ltd	APS reform: provided support as a strategic communications and creative change management partner.	176,512	160,465
IPSOS Public Affairs Pty Ltd	National online survey on community attitudes and behaviours relating to the COVID-19 pandemic.	86,519	78,654
Lynxx Proprietary Ltd	Development of an online game to collect data to test the impact of activity statements on gambling behaviour.	48,180	43,800
Mediabrand Australia Pty Ltd Universal McCann	Advertising for the 2020–21 Graduate Program.	47,288	42,989
	Non-campaign awareness advertising to bushfire affected areas.	203,375	184,887
	2021 PM&C and NIAA Graduate Program application advertising.	23,976	21,796
	Newspaper notices for the funeral of the Hon Tim Fischer AC.	24,917	22,652
	Print media advertising for SES Band 3 role.	20,949	19,045
Monash University	Citizen Survey: research to explore young people's experience of Australian public services.	135,205	122,914
Newgate Communications Pty Ltd	Citizen Survey: research to understand the factors influencing decisions regarding private health insurance.	147,036	133,669
	Research to understand Australians' views on Government's data use and sharing.	110,106	100,096
Orima Research Pty Ltd	Assessment of the needs of Data Integration Partnership for Australia (DIPA) agencies for guidance material in applying the requirements of the National Statement on Ethical Conduct in Human Research.	99,715	90,650
Painted Dog Research Pty Ltd	Citizen Survey: data collection services that inform departmental and APS agency improvements to public service delivery.	499,442	454,038

FIRM	SERVICE PROVIDED	\$ INCL GST	\$ EXCL GST
Reed, James Alan – Resolve Strategic	Research on behavioural responses to the economic and social effects of the COVID-19 pandemic.	538,725	489,750
The Social Research Centre	Citizen Survey: research to test the impact of different versions of online wagering activity statements.	20,972	19,065
	Citizen Survey: design and run a phone survey measuring public satisfaction of APS.	17,375	15,795
Whereto Research	Citizen Survey: conduct focus group research to explore public perceptions of Australian public services.	77,550	70,500

PM&C did not conduct advertising campaigns during 2019–20.

Asset management

PM&C managed its assets in accordance with the Accountable Authority Instructions, relevant accounting standards and Department of Finance requirements.

Non-compliance with finance law

No significant instances of non-compliance requiring a report to the responsible Minister in accordance with the PGPA Act were recorded in the Department for 2019–20.

Grant programs

Information on grants awarded by PM&C during the period 1 July 2019 to 30 June 2020 is published on www.grants.gov.au, managed by the Department of Finance, within 21 days of the grant agreement taking effect.



PART FOUR

Financial statements



Auditor-General for Australia



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 2020:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements 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 2020 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 2020 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 the financial statements, comprising a summary of significant accounting policies 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 me. 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.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter	How the audit addressed the matter
<p>Valuation of the Administered Investments in Corporate Commonwealth entities and companies</p> <p><i>Refer to Note 4.1C 'Investments in Corporate Commonwealth entities and companies'</i></p> <p>I focused on this balance given the significant value of these investments to the financial statements and the judgement and estimation involved in determining the fair value of these investments.</p> <p>These investments are valued by the Entity at the reported net assets of each investee. A significant portion of some</p>	<p>To address the key audit matter I have:</p> <ul style="list-style-type: none"> • for each investee whose net assets are significantly based on discounted cash flow models: <ul style="list-style-type: none"> ▪ assessed the competence and objectivity of management's experts who valued those assets; ▪ assessed the reasonableness of assumptions underpinning future cash flows, particularly future revenue and cost assumptions against

investees' assets are valued using discounted cash flow methods.

The complexity of these valuations increased in comparison to prior years due to uncertainty associated with determining the impact of COVID-19 pandemic on future cash flow estimates used in the assets valuation models. This was particularly the case for the following investees as the value of these entities' assets are significantly based upon discounted cash flow models:

- Indigenous Business Australia (IBA), given the number of loans under the Home Ownership Program and the Business Development and Assistance Program that are impacted by a forward looking estimate of expected credit losses which needs to take into account current and future economic conditions; and
- Indigenous Land and Sea Corporation (ILSC), given the significant decrease in domestic and international travel as a result of the pandemic which has impacted the valuation of its non-financial asset, Ayers Rock Resort due to the impact of reduced visitor numbers on the expected future cash flows.

As at 30 June 2020 the value of the investments recognised for:

- IBA was \$1.552 billion; and
- ILSC was \$455 million.

estimates contained within corporate plans produced by each investee;

- assessed the reasonableness of the probabilities of scenarios applied within the models in respect of the impact of COVID-19 against experience during the pandemic period up to 30 June 2020 and market expectations around the timing of border restrictions easing, leading to increased travel and improved economic conditions;
- assessed the reasonableness of the methodology used for estimating forecast inputs to the credit risk margin which included comparing for consistency against principles applied in management's expert's reports and where possible assessing the inputs adopted against observable or other corroborative information;
- assessed the reasonableness of assumptions underpinning the selection of an appropriate discount rate, particularly specific risk and market premiums; and
- considered the sensitivity of the valuation by adjusting the discount rate, terminal value growth rate and probabilities attached to future scenarios to other outcomes that I considered reasonably foreseeable, in order to confirm the value of the investment calculated was within a reasonable range.

Key audit matter

Existence, completeness and valuation of assets and liabilities transferred to the National Indigenous Australians Agency

Refer to Note 8.2 Restructuring

On 1 July 2019, the Indigenous Affairs functions of the Entity transferred to the newly created National Indigenous Australians Agency (NIAA). Assets and liabilities associated with those functions transferred from the Entity to the NIAA.

The Entity transferred \$140.7 million in departmental assets and \$66.8 million in departmental liabilities. It also transferred \$1.125 billion in administered assets and \$35.0 million in administered liabilities. I focused on the existence, completeness and valuation of the Entity's recording of that transfer, as it constituted majority of assets and liabilities of the Entity.

Significant disclosure related to the transfer of functions is also required by the Entity in accordance with the Public Governance, Performance and Accountability Financial Reporting Rule 2015 and Australian Accounting Standards.

How the audit addressed the matter

To audit the existence, completeness and valuation of the assets and liabilities transferred, I performed the following audit procedures:

- assessed whether the assets and liabilities transferred were recorded in accordance with the agreement between the Entity and NIAA;
- assessed whether the assets and liabilities were recorded at net book value immediately before the transfer of functions; and
- assessed the Entity's Restructuring note disclosure accorded with the Public Governance, Performance and Accountability Financial Reporting Rule 2015 and Australian Accounting Standards.

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 – Reduced Disclosure Requirements and the rules made under the Act. The Secretary is also responsible for such internal control as he

determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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.

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.

From the matters communicated with the Accountable Authority, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Australian National Audit Office



Grant Hehir
Auditor-General

Canberra
22 September 2020

**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 2020 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.



Mr Philip Gaetjens
Secretary

21 September 2020



Mr Paul Wood
Chief Financial Officer

21 September 2020

DEPARTMENT OF THE PRIME MINISTER AND CABINET
STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 June 2020

	Notes	2020 \$'000	2019 ¹ \$'000	Original budget ¹ \$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	123,123	264,619	275,031
Suppliers ²	1.1B	97,244	156,308	140,868
Grants		5,962	7,208	402
Depreciation and amortisation ²	3.2	19,578	21,804	22,365
Finance costs ²	1.1C	1,563	7	13
Impairment loss on financial instruments		-	151	-
Write-down and impairment of other assets	3.2	322	5,376	-
Losses from asset sales	1.1D	-	42	-
Total expenses		247,792	455,515	438,679
Own-source income				
Own-source revenue				
Revenue from contracts with customers	1.2A	61,507	19,078	14,248
Resources received free of charge	1.2B	7,172	4,554	-
Total own-source revenue		68,679	23,632	14,248
Gains				
Other gains	1.2C	777	99	2,046
Total gains		777	99	2,046
Total own-source income		69,456	23,731	16,294
Net cost of services		178,336	431,784	422,385
Revenue from Government - departmental appropriations		165,371	404,857	400,020
Deficit		(12,965)	(26,927)	(22,365)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation surplus		539	2,818	-
Total comprehensive loss		(12,426)	(24,109)	(22,365)

¹ The National Indigenous Australian Agency (NIAA) was established in the PM&C portfolio as at 1 July 2019. Prior year comparative information presented in these financial statements contain balances that have since transferred to NIAA.

² PM&C applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
STATEMENT OF FINANCIAL POSITION
for the period ended 30 June 2020

	Notes	2020 \$'000	2019 ¹ \$'000	Original budget ¹ \$'000
ASSETS				
Financial assets				
Cash and cash equivalents		8,993	2,160	1,910
Trade and other receivables	3.1	31,658	96,994	88,356
Accrued revenue		4,866	1,876	4,059
Total financial assets		45,517	101,030	94,325
Non-financial assets				
Property, plant and equipment ²	3.2	162,771	117,584	115,864
Intangibles	3.2	22,758	34,713	37,968
Prepayments		4,728	7,650	5,958
Total non-financial assets		190,257	159,947	159,790
Assets held for sale - land and buildings		-	1,012	-
Total assets		235,774	261,989	254,115
LIABILITIES				
Payables				
Trade creditors and accruals		8,501	19,035	21,808
Grants - non-profit organisations		-	-	232
Other payables	3.3	5,548	43,135	29,327
Total payables		14,049	62,170	51,367
Interest bearing liabilities				
Leases	3.4	119,492	-	-
Total interest bearing liabilities		119,492	-	-
Provisions				
Employee provisions	6.1A	40,813	86,197	83,781
Make good provisions	3.5	-	642	548
Total provisions		40,813	86,839	84,329
Total liabilities		174,354	149,009	135,696
Net assets		61,420	112,980	118,419
EQUITY				
Contributed equity		166,031	221,226	243,684
Accumulated deficit		(108,212)	(116,824)	(131,025)
Reserves		3,601	8,578	5,760
Total equity		61,420	112,980	118,419

¹ The National Indigenous Australian Agency (NIAA) was established in the PM&C portfolio as at 1 July 2019. Prior year comparative information presented in these financial statements contain balances that have since transferred to NIAA.

² Right-of-use assets are included in the Property, plant and equipment line item. PM&C applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

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 2020

	2020	2019 ¹	Original budget ¹
	\$'000	\$'000	\$'000
CONTRIBUTED EQUITY			
Opening balance			
Balance carried forward from previous period	221,226	195,741	221,510
Adjustment for changes in accounting policies	-	(584)	-
Adjusted opening balance	221,226	195,157	221,510
Transactions with owners			
Distributions to owners			
Return of capital:			
Restructuring ¹	(68,359)	-	-
Contributions by owners			
Appropriation (equity injection)	-	8,273	1,897
Departmental Capital Budget (DCB)	13,164	17,796	20,277
Total transactions with owners	(55,195)	26,069	22,174
Closing balance as at 30 June	166,031	221,226	243,684
ACCUMULATED DEFICIT			
Opening balance			
Balance carried forward from previous period	(116,824)	(89,897)	(108,660)
Other ²	(492)	-	-
Adjustment on initial application of AASB 16 ³	22,069	-	-
Adjusted opening balance	(95,247)	(89,897)	(108,660)
Comprehensive income			
Deficit for the period	(12,965)	(26,927)	(22,365)
Total comprehensive income	(12,965)	(26,927)	(22,365)
Total transactions with owners	-	-	-
Closing balance as at 30 June	(108,212)	(116,824)	(131,025)

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 2020

	2020 \$'000	2019 ¹ \$'000	Original budget ¹ \$'000
ASSET REVALUATION RESERVE			
Opening balance			
Balance carried forward from previous period	8,578	5,760	5,760
Adjusted opening balance	8,578	5,760	5,760
Comprehensive income			
Restructuring ¹	(5,516)	-	-
Other comprehensive income	539	2,818	-
Total comprehensive income	(4,977)	2,818	-
Closing balance as at 30 June	3,601	8,578	5,760
TOTAL EQUITY			
Opening balance			
Balance carried forward from previous period	112,980	111,604	118,610
Adjustment for changes in accounting policies	-	(584)	-
Other ²	(492)	-	-
Adjustment on initial application of AASB 16 ³	22,069	-	-
Adjusted opening balance	134,557	111,020	118,610
Comprehensive income			
Other comprehensive income	539	2,818	-
Deficit for the period	(12,965)	(26,927)	(22,365)
Total comprehensive income	(12,426)	(24,109)	(22,365)
Transactions with owners			
Distributions to owners			
Return of capital:			
Restructuring ¹	(73,875)	-	-
Contributions by owners			
Appropriation (equity injection)	-	8,273	1,897
Departmental Capital Budget (DCB)	13,164	17,796	20,277
Total transactions with owners	(60,711)	26,069	22,174
Closing balance as at 30 June	61,420	112,980	118,419

¹ The National Indigenous Australian Agency (NIAA) was established in the PM&C portfolio as at 1 July 2019. Prior year comparative information presented in these financial statements contain balances that have since transferred to NIAA. Refer Note 8.2

Restructuring.

² Relates to assets recognised by shared service clients.

³ PM&C applied AASB 16 Leases on 1 July 2019.

Accounting Policy

Equity injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and DCBs 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/from 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 2020

	2020	2019	Original budget
	\$'000	\$'000	\$'000
OPERATING ACTIVITIES			
Cash received			
Sale of goods and rendering of services	61,192	26,964	14,248
GST received	14,167	20,546	-
Appropriations	246,209	421,197	415,290
Total cash received	321,568	468,707	429,538
Cash used			
Employees	119,801	260,047	275,146
Suppliers	118,139	167,901	139,742
Grants	5,962	7,440	402
Retained receipts transferred to Official Public Account	60,913	27,889	14,248
Interest payments on lease liabilities	1,563	-	-
Total cash used	306,378	463,277	429,538
Net cash from operating activities	15,190	5,430	-
INVESTING ACTIVITIES			
Cash received			
Proceeds from sales of property, plant and equipment	-	1,238	-
Total cash received	-	1,238	-
Cash used			
Purchase of property, plant and equipment	8,923	23,196	21,874
Purchase of intangibles	4,664	12,803	-
Other investing	-	10	-
Total cash used	13,587	36,009	21,874
Net cash used by investing activities	(13,587)	(34,771)	(21,874)
FINANCING ACTIVITIES			
Cash received			
Contributed equity			
Equity injections	-	7,791	21,874
Departmental capital budget	11,266	21,800	-
Total cash received	11,266	29,591	21,874
Cash used			
Principal payments of lease liabilities	6,036	-	-
Total cash used	6,036	-	-
Net cash from financing activities	5,230	29,591	21,874
Net increase in cash held	6,833	250	-
Cash and cash equivalents at the beginning of the reporting period	2,160	1,910	1,910
Cash and cash equivalents at the end of the reporting period	8,993	2,160	1,910

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 2020

Departmental Budget Variance Commentary:	
The below table provides commentary for significant variances between PM&C's original budget estimates, as published in the 2019-20 Portfolio Budget Statements, and the actual expenditure and net asset position for the year.	
Explanation of major variances	Affected line items (and statement)
<p>The National Indigenous Australians Agency (NIAA) was established in the PM&C portfolio as at 1 July 2019. The Indigenous Affairs functions, previously under Outcome 2, have transferred from PM&C to NIAA. Due to the timing of the original 2019-20 budget, Outcome 2 was included. This has impacted line items this year.</p>	<p>Various line items - Statement of Comprehensive Income (variance in net cost of services to original budget of \$244m)</p> <p>Net Assets (\$57m) - Statement of Financial Position</p> <p>Property, Plant and Equipment (\$75m) - Statement of Financial Position</p> <p>Net cash from / (used by) operating activities \$14m - Cash Flow Statement</p>
<p>Impact of the AASB 16 Leases accounting standard: PM&C has applied the modified retrospective approach which has resulted in the recognition of the ROU assets as at 1 July 2019. There is also an increase in the Interest & Depreciation expense and a corresponding decrease in the Operating Lease expenses. The original budget did not reflect the adoption of this standard.</p>	<p>Property, Plant and Equipment (\$117m) - Statement of Financial Position</p> <p>Finance costs (\$1.5m), Depreciation (\$9.6m) and Supplier (\$11m) expense - Statement of Comprehensive Income</p> <p>Cash used for Financing and Operating Activities (\$7.6m) – Cash Flow Statement</p>
<p>Own Source Revenue: Revenue generated from rendering of services has increased reflecting shared corporate service arrangements provided to other government entities, primarily NIAA.</p>	<p>Revenue from contracts with customers (\$47m) - Statement of Comprehensive Income</p> <p>Accrued revenue – Statement of Financial Position</p> <p>Sale of goods and rendering of services (\$47m) – 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 2020

	Notes	2020 \$'000	2019 ¹ \$'000	Original budget ¹ \$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	2.1A	1,425	1,515	1,068
Suppliers ²	2.1B	3,656	62,011	73,281
Subsidies - Petrol Sniffing Prevention Strategy		-	149	1,931
Grants	2.1C	20,989	1,281,851	1,319,228
Depreciation ²	4.2	872	349	349
Finance costs ²	2.1D	14	3,878	391
Impairment loss on financial instruments		-	2,091	-
Write-down and impairment of other assets	4.2	283	-	-
Payments associated with Land Councils	2.1E	-	181,711	162,556
Payments to Corporate Commonwealth entities and companies	2.1F	119,184	111,105	110,898
Payments to Indigenous Land and Sea Corporation ³		-	53,290	58,250
Mining withholding tax		-	7,618	-
Total expenses		146,423	1,705,568	1,727,952
Income				
Revenue				
Non-taxation revenue				
Interest	2.2A	-	60,702	22,405
Other revenue	2.2B	683	14,463	65,143
Total non-taxation revenue		683	75,165	87,548
Total revenue		683	75,165	87,548
Gains				
Other gains		-	3,237	-
Total gains		-	3,237	-
Total income		683	78,402	87,548
Net cost of services		145,740	1,627,166	1,640,404
Deficit		(145,740)	(1,627,166)	(1,640,404)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation reserve		26,638	93,053	-
Items subject to subsequent reclassification to net cost of services				
Actuarial loss - former Governors-General entitlements	6.1C	(593)	(3,257)	-
Total other comprehensive income/(loss)		26,045	89,796	-
Total comprehensive loss		(119,695)	(1,537,370)	(1,640,404)

¹ The National Indigenous Australian Agency (NIAA) was established in the PM&C portfolio as at 1 July 2019. Prior year comparative information presented in these financial statements contain balances that have since transferred to NIAA.

² PM&C applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

³ Payment made from the Aboriginal and Torres Strait Islander Land Account (Special Account). The original budget amount was published in the 2019-20 Portfolio Budget Statement as 'Other Expenses'.

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 2020**

	Notes	2020 \$'000	2019 ¹ \$'000	Original budget ¹ \$'000
ASSETS				
Financial assets				
Cash and cash equivalents	4.1A	1,342	39,062	23,575
Trade and other receivables	4.1B	73	56,452	48,076
Term deposits		-	1,042,500	-
Investments in Corporate Commonwealth entities	4.1C	2,597,098	2,427,299	3,589,243
Total financial assets		2,598,513	3,565,313	3,660,894
Non-financial assets				
Property, plant and equipment ²	4.2	51,567	50,650	52,153
Prepayments		174	3,719	2,463
Total non-financial assets		51,741	54,369	54,616
Total assets administered on behalf of Government		2,650,254	3,619,682	3,715,510
LIABILITIES				
Payables				
Trade creditors and accruals		148	8,549	3,905
Grants	4.3A	-	23,964	48,197
Other payables	4.3B	437	2,883	2,636
Total payables		585	35,396	54,738
Interest bearing liabilities				
Leases	4.4	1,314	-	-
Total interest bearing liabilities		1,314	-	-
Provisions				
Employee provisions	6.1B	458	433	293
Non-cash benefits - former Governors-General	6.1C	18,008	18,909	14,691
Make good provisions		324	105	-
Total provisions		18,790	19,447	14,984
Total liabilities administered on behalf of Government		20,689	54,843	69,722
Net assets		2,629,565	3,564,839	3,645,788

¹ The National Indigenous Australian Agency (NIAA) was established in the PM&C portfolio as at 1 July 2019. Prior year comparative information presented in these financial statements contain balances that have since transferred to NIAA.

² Right-of-use assets are included in the Property, Plant and Equipment. PM&C applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

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 2020**

Administered Budget Variance Commentary:	
<p>The below table provides commentary for significant variances between PM&C's original budget estimates for administered functions, as published in the 2019-20 Portfolio Budget Statements, and the actual expenditure and net asset position for the year.</p>	
Explanation of major variances	Affected line items (and statement)
<p>The National Indigenous Australians Agency (NIAA) was established in the PM&C portfolio as at 1 July 2019.</p> <p>Expenses in 2019-20 have reduced due to the transfer of Indigenous Affairs functions (Outcome 2) to the NIAA offset by the additional appropriations for the additional estimate measures relating to the National Australia Day Council (\$12.8m).</p>	<p>Suppliers Expense (\$70m), Grants Expense (\$1.3b), Payments associated with Land Councils (\$163m) and Payments to Indigenous Land and Sea Corporation (\$58m) – Administered Schedule of Comprehensive Income</p> <p>Various line items – 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 RECONCILIATION SCHEDULE
for the period ended 30 June 2020**

	2020	2019 ¹
	\$'000	\$'000
Opening assets less liabilities as at 1 July	3,564,839	5,220,831
Adjustment for changes in accounting policies	-	(3,141)
Adjustment on initial application of AASB 16 ²	(1)	-
Adjusted opening assets less liabilities	3,564,838	5,217,690
Net cost of services		
Income	683	78,402
Expenses		
Payments to entities other than Corporate Commonwealth entities and companies	(27,239)	(1,541,173)
Payments to Indigenous Land and Sea Corporation	-	(53,290)
Payments to Corporate Commonwealth entities and companies	(119,184)	(111,105)
Other comprehensive income		
Revaluations transferred to reserves	26,638	93,053
Actuarial (loss) through equity	(593)	(3,257)
Transfers (to)/from the Australian Government		
Appropriation transfers from Official Public Account		
Annual appropriation for administered expenses (non-corporate Commonwealth entities and companies)	29,446	1,404,210
Annual appropriation for payment to Corporate Commonwealth entities and companies	119,184	111,105
Special appropriations (non-Corporate Commonwealth entities and companies)	-	533,839
Special account	-	1,433
Transfers to Official Public Account	(17,005)	(181,376)
Transfers to Official Public Account Special accounts	-	(1,433)
Transfer of investment funds to Government ³	-	(2,007,609)
Equity injection to Corporate Commonwealth entities and companies	25,035	24,913
Restructuring ¹	(972,238)	-
Other ⁴	-	(563)
Closing assets less liabilities as at 30 June	2,629,565	3,564,839

¹ The National Indigenous Australian Agency (NIAA) was established in the PM&C portfolio as at 1 July 2019. Prior year comparative information presented in these financial statements contain balances that have since transferred to NIAA. Refer Note 8.2

Restructuring.

² PM&C applied AASB 16 Leases on 1 July 2019.

³ The Aboriginal and Torres Strait Islander Land Account transferred to the Finance Portfolio on 1 February 2019.

⁴ Adjustment to opening balance for reversal of accrued interest.

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 PM&C is administered revenue. Collections are transferred to the Official Public Account (OPA), maintained by the Department of Finance. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of Government. These transfers to and from the OPA are adjustments to the administered cash held by PM&C on behalf of the Government and reported as such 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 2020**

	Notes	2020 \$'000	2019 \$'000
OPERATING ACTIVITIES			
Cash received			
GST received		15,757	105,868
Other		671	2,599
Total cash received		16,428	108,467
Cash used			
Employees		1,339	1,372
Suppliers		5,299	59,771
Subsidy payments		-	149
Grant payments		21,270	1,405,755
Payments to Corporate Commonwealth entities and companies		119,184	111,105
Payments associated with Land Councils		-	181,711
Payments to Indigenous Land and Sea Corporation		-	53,290
Interest payments on lease liabilities		14	-
Other		-	3,200
Total cash used		147,106	1,816,353
Net cash used by operating activities		(130,678)	(1,707,886)
INVESTING ACTIVITIES			
Cash received			
Proceeds from realisation of investments		-	2,571,374
Interest on investments and loans		-	54,148
Repayment of loans		-	29,660
Total cash received		-	2,655,182
Cash used			
Purchase of property, plant and equipment		758	224
Payments to Corporate Commonwealth entities and companies		25,035	24,913
Purchase of investments		-	2,433,243
Total cash used		25,793	2,458,380
Net cash from/(used by) investing activities		(25,793)	196,802
FINANCING ACTIVITIES			
Cash used			
Transfers due to restructure ¹		37,552	-
Principal payments of lease liabilities		356	-
Total cash used		37,908	-
Net cash used by financing activities		(37,908)	-
Net decrease in cash held		(194,379)	(1,511,084)
Cash and cash equivalents at the beginning of the reporting period		39,062	23,576
Cash from Official Public Account			
Appropriations		173,665	2,074,067
Special Accounts		-	1,433
Total cash from the Official Public Account		173,665	2,075,500
Cash to Official Public Account			
Appropriations		(17,005)	(181,376)
Special Accounts		-	(1,433)
Return of investment fund to Government		-	(366,122)
Total cash to the Official Public Account		(17,005)	(548,931)
Cash and cash equivalents at the end of the reporting period	4.1A	1,342	39,062

¹Refer Note 8.2 Restructuring

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 2020

Overview	212
1. Departmental Financial Performance	217
1.1. Expenses	217
1.2. Own-Source Revenue and Gains	219
2. Income and Expenses Administered on Behalf of Government	220
2.1. Administered – Expenses	220
2.2. Administered – Income	222
3. Departmental Financial Position	223
3.1. Financial Assets	223
3.2. Non-Financial Assets	224
3.3. Payables	227
3.4. Interest Bearing Liabilities	228
3.5. Make Good Provisions	228
4. Assets and Liabilities Administered on Behalf of Government	229
4.1. Administered – Financial Assets	229
4.2. Administered – Non-Financial Assets	232
4.3. Administered – Payables	234
4.4. Administered – Interest Bearing Liabilities	234
5. Funding	235
5.1. Appropriations	235
5.2. Special Accounts	238
6. People	240
6.1. Employee Provisions	240
6.2. Key Management Personnel Remuneration	242
6.3. Related Party Disclosures	242
7. Managing Uncertainties	243
7.1. Contingent Assets and Liabilities	243
7.2. Financial Instruments	243
7.3. Administered – Financial Instruments	244
8. Other Information	246
8.1. Aggregate Assets and Liabilities	246
8.2. Restructuring	247

DEPARTMENT OF THE PRIME MINISTER AND CABINET NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the period ended 30 June 2020

Overview

Objectives of the Department of 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.

During 2019-20, the Prime Minister announced the creation of two new functions to be based in the Department. The National Bushfire Recovery Agency was announced on 6 January 2020 to lead and coordinate a national response to rebuilding communities affected by bushfires across large parts of Australia. On 25 March 2020, a National COVID-19 Commission (NCC) was created to coordinate advice to the Australian Government on actions to anticipate and mitigate the economic and social effects of the global coronavirus pandemic. Both functions are included in the 2019-20 PM&C Financial Statements. In addition, Old Parliament House was transferred from the then Communications and the Arts portfolio to the PM&C portfolio following amendments to the Administrative Arrangements Order issued on 8 August 2019.

Following the Executive Order signed by the Governor-General on 29 May 2019 establishing the National Indigenous Australians Agency (NIAA) on 1 July 2019, Indigenous Affairs functions (Outcome 2) were transferred to NIAA. This has resulted in a significant change to the balances compared to original budget and prior year. The Department is structured to meet one outcome as outlined below:

Outcome 1: Provide high quality policy advice and support to the Prime Minister, the Cabinet, Portfolio Ministers and Assistant Ministers including through the coordination of government activities, policy development and program delivery.

Basis of preparation of the financial statements

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

The financial statements have been prepared in accordance with:

- *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR); and
- Australian Accounting Standards and Interpretations – Reduced Disclosure Requirements 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.

PM&C has assessed the impact of COVID-19 pandemic on the balances included in its financial statements. The fair value of its land, buildings, property, plant and equipment and leasehold improvements was assessed due to the valuation uncertainty created by the COVID-19 pandemic. Further information is included in the accounting policy for Note 3.2 Non-financial Assets, Note 4.1C Investments on Corporate Commonwealth entities and companies and Note 4.2 Administered – Non-financial Assets. PM&C has concluded that COVID-19 has not had a material impact on the fair value of these assets.

Taxation

PM&C is exempt from all forms of taxation except Fringe Benefits Tax (FBT), the Goods and Services Tax (GST) and Mining Withholding Tax (WHT).

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2020

New Australian accounting standards

No accounting standards have been adopted earlier than the application date as stated in the standard.

AASB 16 Leases and *AASB15/1058* are applicable to the current reporting period and the financial impact is recorded in the financial statements for the period ended 30 June 2020. The details of the changes in accounting policies, transitional provisions and adjustments are disclosed below and in the relevant notes to the financial statements.

Standard/ Interpretation	Nature of change in accounting policy, transitional provisions, and adjustment to financial statements
<i>AASB 15 Revenue from Contracts with Customers / AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities and AASB 1058 Income of Not-For-Profit Entities</i>	<p>AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance. The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.</p> <p>AASB 1058 is relevant in circumstances where AASB 15 does not apply. AASB 1058 applies to transactions where the consideration to acquire an asset is significantly less than fair value principally to enable the entity to further its objectives, and where volunteer services are received.</p> <p>The details of the changes in accounting policies, transitional provisions and adjustments are disclosed below and in the relevant notes to the financial statements.</p>
<i>AASB 16 Leases</i>	<p>AASB 16 became effective on 1 July 2019.</p> <p>This new standard has replaced AASB 117 Leases, Interpretation 115 Operating Leases—Incentives and Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.</p> <p>AASB 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, together with options to exclude leases where the lease term is 12 months or less, or where the underlying asset is of low value. AASB 16 substantially carries forward the lessor accounting in AASB 117, with the distinction between operating leases and finance leases being retained.</p> <p>The details of the changes in accounting policies, transitional provisions and adjustments are disclosed below and in the relevant notes to the financial statements.</p>

Application of AASB 15 Revenue from Contracts with Customers / AASB 1058 Income of Not-For-Profit Entities

PM&C adopted AASB 15 and AASB 1058 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 July 2019. Accordingly, the comparative information presented for 2019 is not restated, that is, it is presented as previously reported under the various applicable AASBs and related interpretations.

Under the new income recognition model, PM&C shall first determine whether an enforceable agreement exists and whether the promises to transfer goods or services to the customer are 'sufficiently specific'. If an enforceable agreement exists and the promises are 'sufficiently specific' (to a transaction or part of a transaction), PM&C applies the general AASB 15 principles to determine the appropriate revenue recognition. If these criteria are not met, PM&C shall consider whether AASB 1058 applies.

In relation to AASB 15, PM&C elected to apply the new standard to all new and uncompleted contracts from the date of initial application. PM&C is required to aggregate the effect of all of the contract modifications that occur before the date of initial application.

In terms of AASB 1058, PM&C is required to recognise volunteer services at fair value if those services would have been purchased if not provided voluntarily, and the fair value of those services can be measured reliably.

AASB 15 and AASB 1058 had no material impact on the PM&C.

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS*****for the period ended 30 June 2020****Application of AASB 16 Leases*

PM&C adopted AASB 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 July 2019. Accordingly, the comparative information presented for 2019 is not restated, that is, it is presented as previously reported under AASB 117 and related interpretations.

PM&C elected to apply the practical expedient to not reassess whether a contract is, or contains a lease at the date of initial application. Contracts entered into before the transition date that were not identified as leases under AASB 117 were not reassessed. The definition of a lease under AASB 16 was applied only to contracts entered into or changed on or after 1 July 2019.

AASB 16 provides for certain optional practical expedients, including those related to the initial adoption of the standard. PM&C applied the following practical expedients when applying AASB 16 to leases previously classified as operating leases under AASB 117:

- Applied a single discount rate to a portfolio of leases with reasonably similar characteristics;
- Excluded initial direct costs from the measurement of right-of-use assets at the date of initial application for leases where the right-of-use asset was determined as if AASB 16 had been applied since the commencement date;
- Relied on previous assessments on whether leases are onerous as opposed to preparing an impairment review under AASB 136 Impairment of assets as at the date of initial application; and
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term remaining as of the date of initial application.

As a lessee, PM&C previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under AASB 16, PM&C recognises right-of-use assets and lease liabilities for most leases. However, PM&C has elected not to recognise right-of-use assets and lease liabilities for some leases of low value assets based on the value of the underlying asset when new or for short-term leases with a lease term of 12 months or less.

On adoption of AASB 16, PM&C recognised right-of-use assets and lease liabilities in relation to leases of office space and motor vehicles, which had previously been classified as operating leases.

The lease liabilities were measured at the present value of the remaining lease payments, discounted using PM&C's incremental borrowing rate as at 1 July 2019. PM&C's incremental borrowing rate is the rate at which a similar borrowing could be obtained from an independent creditor under comparable terms and conditions.

The right-of-use assets were measured as follows:

- a) Office space: measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.
- b) All other leases: the carrying value that would have resulted from AASB 16 being applied from the commencement date of the leases, subject to the practical expedients noted above.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2020

Impact on transition

On transition to AASB 16, PM&C recognised additional right-of-use assets and additional lease liabilities, recognising the reversal of lease incentives, recognised under the old AASB 117 standard, in retained earnings. The impact on transition is summarised below:

	1 July 2019
Departmental	\$'000
Right-of-use assets - property, plant and equipment	123,276
Reduce lease prepayments	<u>(657)</u>
Lease liabilities	<u>122,619</u>
Reduce lease incentives liabilities	(13,720)
Reduce straight line provision	<u>(8,349)</u>
Retained earnings	<u>22,069</u>

The following table reconciles the Departmental minimum lease commitments disclosed in PM&C's 30 June 2019 annual financial statements to the amount of lease liabilities recognised on 1 July 2019:

	1 July 2019
	\$'000
Minimum operating lease commitment at 30 June 2019	318,238
Less: short-term leases not recognised under AASB 16	(264)
Less: Lease commitments transferred to NIAA	<u>(182,714)</u>
Undiscounted lease payments	<u>135,260</u>
Less: effect of discounting using the incremental borrowing rate as at the date of initial application	(11,984)
Less: lease prepayments	<u>(657)</u>
Lease liabilities recognised at 1 July 2019	<u>122,619</u>

	1 July 2019
Administered	\$'000
Right-of-use assets - property, plant and equipment	1,533
Reduce lease prepayments	<u>(31)</u>
Lease liabilities	<u>1,502</u>
Reduce straight line provision	(1)
Retained earnings (Administered reconciliation schedule)	<u>1</u>

The following table reconciles the Administered minimum lease commitments disclosed in PM&C's 30 June 2019 annual financial statements to the amount of lease liabilities recognised on 1 July 2019:

	1 July 2019
	\$'000
Minimum operating lease commitment at 30 June 2019	2,142
Less: short-term leases not recognised under AASB 16	(208)
Less: lease commitments transferred to NIAA	<u>(368)</u>
Undiscounted lease payments	<u>1,566</u>
Less: effect of discounting using the incremental borrowing rate as at the date of initial application	(33)
Less: lease prepayments	<u>(31)</u>
Lease liabilities recognised at 1 July 2019	<u>1,502</u>

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**
for the period ended 30 June 2020

Events after the reporting period

On 15 June 2020, the Prime Minister announced the Deregulation Taskforce will be brought into PM&C from the Department of the Treasury. This will further drive a whole-of-government approach to regulatory policy. The Taskforce has been tasked with revitalising Australia's regulatory reform and deregulation agenda. The date of effect for this transfer is 1 July 2020.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the period ended 30 June 2020

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 2020.

1.1. Expenses

	2020	2019
	\$'000	\$'000
Note 1.1A: Employee benefits		
Wages and salaries	92,680	189,372
Superannuation		
Defined contribution plans	9,987	18,919
Defined benefit plans	6,481	17,006
Leave and other entitlements	11,558	33,551
Separation and redundancies	1,715	2,705
Other	702	3,066
Total employee benefits	123,123	264,619
Note 1.1B: Suppliers		
Goods and services supplied or rendered		
Consultants, legal, contractors and secondees	49,307	51,817
Equipment, repairs and maintenance	440	6,583
General expenses	9,026	12,863
Venue hire	120	443
Office accommodation, facility management and security	5,988	5,826
Information, communication and technology	28,880	30,976
Travel	2,578	11,020
Total goods and services supplied or rendered	96,339	119,528
Goods supplied	3,224	7,975
Services rendered	93,115	111,553
Total goods and services supplied or rendered	96,339	119,528
Other suppliers		
Operating lease rentals ¹	-	34,259
Short-term leases	264	-
Workers compensation expenses	641	2,521
Total other supplier expenses	905	36,780
Total suppliers	97,244	156,308

¹ PM&C applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

The above lease disclosures should be read in conjunction with the accompanying notes 1.1C, 1.2C, and 3.2.

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 for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets (less than \$10,000). 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 2020

	2020	2019
	\$'000	\$'000
Note 1.1C: Finance costs		
Unwinding of discount on make good	-	7
Interest on lease liabilities ¹	1,563	-
Total finance costs	<u>1,563</u>	<u>7</u>

¹ PM&C has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

The above lease disclosures should be read in conjunction with the accompanying notes 1.1B, 1.2C, and 3.2.

Note 1.1D: Losses from asset sales

Property, plant and equipment		
Proceeds from sale	-	1,238
Carrying value of asset sold	-	(1,270)
Selling expense	-	(10)
Total losses from asset sales	<u>-</u>	<u>42</u>

Accounting Policy

Gains or losses from disposal of assets are recognised when control of the asset has passed to the buyer.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the period ended 30 June 2020

1.2. Own-Source Revenue and Gains

	2020	2019
	\$'000	\$'000
Own-source revenue		
Note 1.2A: Revenue from contracts with customers		
Revenue from contracts with customers	61,507	19,078
Total revenue from contracts with customers	61,507	19,078
Disaggregation of revenue from contracts with customers		
Major product / service line:		
Delivery of enabling services	53,779	-
Cost recovery	7,728	-
	61,507	-
Type of customer:		
Australian Government entities (related parties)	58,578	-
Non-government entities	2,929	-
	61,507	-
Timing of transfer of goods and services:		
Over time	61,507	-
	61,507	-

Accounting Policy

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

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

The principal activity from which the PM&C generates its revenue is delivery of enabling services and its 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	5,821	4,077
Volunteer services	1,149	-
Other	202	477
Total resources received free of charge	7,172	4,554

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.

Note 1.2C: Other gains

Gain on early termination of lease	-	80
Reversal of impairment	777	9
Reversal of make good provision	-	10
Total other gains	777	99

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the period ended 30 June 2020

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

	2020	2019
	\$'000	\$'000
<u>Note 2.1A: Employee benefits</u>		
Wages and salaries	1,158	1,083
Superannuation		
Defined contribution plans	125	140
Defined benefit plans	52	52
Leave and other entitlements	90	240
<i>Total employee benefits</i>	1,425	1,515
<u>Note 2.1B: Suppliers</u>		
Goods and services supplied or rendered		
Outsourced providers, contractors and consultants	602	47,622
Equipment, repairs and maintenance	551	721
General expenses	713	7,455
Travel	1,662	2,194
Information, communication and technology	115	4,006
<i>Total goods and services supplied or rendered</i>	3,643	61,998
Goods supplied	659	1,172
Services rendered	2,984	60,826
<i>Total goods and services supplied or rendered</i>	3,643	61,998
Other suppliers		
Workers compensation expenses	13	13
<i>Total other supplier expenses</i>	13	13
<i>Total suppliers</i>	3,656	62,011

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2020

	2020	2019
	\$'000	\$'000
Note 2.1C: Grants		
Public sector		
Australian Government entities	17,437	87,203
Local Governments	-	78,052
State and Territory Governments	-	65,781
Private sector		
Non-profit organisations	3,392	859,651
Commercial entities	160	191,164
Total grants	20,989	1,281,851
Program 1.1 - Prime Minister and Cabinet	20,989	18,608
Program 2.1 - Jobs, Land and Economy	-	626,083
Program 2.2 - Children and Schooling	-	314,124
Program 2.3 - Safety and Wellbeing	-	246,665
Program 2.4 - Culture and Capability	-	46,438
Program 2.5 - Remote Australia Strategy	-	29,933
Total grants	20,989	1,281,851

Accounting Policy

PM&C administers a number of grants and subsidy schemes on behalf of the Government. 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. Please refer to the Administered Budget Commentary for further information.

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

Note 2.1D: Finance costs		
Service costs	-	3,547
Interest on lease liabilities	14	-
Unwinding of discount	-	331
Total finance costs	14	3,878

The above lease disclosures should be read in conjunction with the accompanying note 4.2.

Note 2.1E: Payments associated with Land Councils		
Payments associated with Land Councils administration	-	59,008
Land Councils' distributions	-	122,703
Total payments associated with Land Councils	-	181,711

Note 2.1F: Payments to Corporate Commonwealth entities and companies		
Aboriginal Hostels Limited	36,241	36,323
Australian Institute of Aboriginal and Torres Strait Islander Studies	20,371	20,388
Indigenous Business Australia	9,538	9,762
Indigenous Land and Sea Corporation	8,572	8,749
Old Parliament House	8,565	-
Torres Strait Regional Authority	35,897	35,883
Total payments to Corporate Commonwealth entities and companies	119,184	111,105

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 2020

2.2. Administered – Income		
	2020	2019
	\$'000	\$'000
Note 2.2A: Interest		
Interest on investments	-	57,377
Interest on loans	-	1,153
Unwinding of discount on concessional loans	-	2,172
Total interest	-	60,702
Note 2.2B: Other revenue		
Return of grant funding	2	12,118
Other	681	94
Lease rental income	-	2,251
Total other revenue	683	14,463

Accounting Policy

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

Interest revenue is recognised using the effective interest method.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the period ended 30 June 2020

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

	2020	2019
	\$'000	\$'000
Note 3.1: Trade and other receivables		
Goods and services receivables		
Goods and services	10,134	5,752
Total goods and services receivables	10,134	5,752
Appropriations receivables		
Existing programs	19,578	86,599
Total appropriations receivable	19,578	86,599
Other receivables		
Statutory receivables	1,981	2,471
Other	-	3,000
Total other receivables	1,981	5,471
Total trade and other receivables (gross)	31,693	97,822
Less impairment loss allowance		
Goods and services	(35)	(828)
Total impairment loss allowance	(35)	(828)
Total trade and other receivables (net)	31,658	96,994

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2020**

3.2. Non-Financial Assets

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

	Land \$'000	Buildings \$'000	Leasehold improvements \$'000	Plant and equipment \$'000	Computer software internally developed \$'000	Computer software purchased \$'000	Total \$'000
As at 1 July 2019							
Gross book value	-	-	-	-	29,140	3,191	32,331
Fair value	10,336	42,132	55,177	23,761	-	-	131,406
Work in progress	-	495	15,543	2,553	17,645	1,578	37,814
Accumulated depreciation/amortisation and impairment	-	(5,616)	(16,558)	(10,239)	(14,068)	(2,773)	(49,254)
Total as at 1 July 2019	10,336	37,011	54,162	16,075	32,717	1,996	152,297
Recognition of right of use asset on initial application of AASB 16	-	123,214	-	62	-	-	123,276
Other adjustments ¹	-	-	-	(492)	-	-	(492)
Adjusted total as at 1 July 2019	10,336	160,225	54,162	15,645	32,717	1,996	275,081
Additions							
Purchase	-	9	6,330	2,584	4,546	118	13,587
Right-of-use assets	-	2,909	-	-	-	-	2,909
Revaluations and impairments recognised in other comprehensive income	-	-	1,246	(707)	-	-	539
Restructuring	(10,336)	(36,443)	(23,533)	(4,840)	(10,107)	(1,428)	(86,687)
Depreciation and amortisation	-	-	(2,145)	(2,906)	(4,784)	(169)	(10,004)
Depreciation on right-of-use assets	-	(9,549)	-	(25)	-	-	(9,574)
Write-down and impairments recognised in net cost of services (expense)	-	(72)	-	(119)	(131)	-	(322)
Total as at 30 June 2020	-	117,079	36,060	9,632	22,241	517	185,529
Total as at 30 June 2020 represented by							
Gross book value	-	-	-	-	27,420	614	28,034
Fair value	-	129,735	48,452	17,156	-	-	195,343
Work in progress	-	505	5,870	995	8,479	481	16,330
Accumulated depreciation, amortisation and impairment	-	(13,161)	(18,262)	(8,519)	(13,658)	(578)	(54,178)
Total as at 30 June 2020	-	117,079	36,060	9,632	22,241	517	185,529
Carrying amount of right-of-use assets	-	116,574	-	37	-	-	116,611

Contractual commitments for the acquisition of property, plant, equipment and intangible assets

There are no contractual commitments for the acquisition of IT equipment and other capital works payable in 2020 (\$0.295 million).

¹ Relates to assets recognised by shared services clients.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2020

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 IT assets where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes 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 'make good' 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 'make good' recognised.

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 has 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) less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets did not differ materially from the assets' fair value as at the reporting date. The regularity of independent valuations depended 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
Land	Market selling price
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 2019-20, PM&C procured the services of independent valuation experts (Opteon) to perform a valuation of departmental property, plant and equipment and leasehold improvements as at 30 June 2020.

The experts provided written assurance that the models developed to value assets are in compliance with accounting and valuation standards and identified that currently there is significant valuation uncertainty due to the COVID-19 pandemic impacting markets. However, whilst this uncertainty exists 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 and the impact of COVID-19. The department currently has no assets held for sale which may be impacted by the market uncertainty.

Due to the valuation uncertainty, PM&C will conduct a revaluation in 2020-21 to ensure the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2020

Accounting Policy (continued)

PM&C tests the procedures of the valuation model as an internal management review at least once every 12 months. PM&C has a rolling revaluation plan in place which ensures all 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.

Assets that do not transact with enough frequency or transparency to develop objective opinions of value from observable market evidence have been measured using the cost (Depreciated Replacement Cost or DRC) approach. Professional judgement has been applied in calculating the consumed economic benefit/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.

Assets held for sale

Assets held for sale are measured at the lesser of their carrying amount and fair value less cost to sell and are valued at a non-recurring basis. PM&C currently has zero assets held for sale. (2019: \$1.01 million)

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 2020.

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

Depreciation/Amortisation

Depreciable assets are written-off to their estimated residual values over their estimated useful lives to PM&C 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:

Buildings excluding leasehold improvements	3 to 50 years (2019: 3 to 50 years)
Leasehold improvements	Lease term (2019: Lease term)
Plant and equipment	1 to 25 years (2019: 1 to 25 years)
Intangibles	1 to 5 years (2019: 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.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2020

3.3. Payables

	2020	2019
	\$'000	\$'000
Note 3.3: Other payables		
Salaries, wages and superannuation	1,954	1,721
Separation and redundancies payable	-	292
Unearned income	606	1,854
Lease liability	-	14,156
Lease incentive ¹	-	22,767
Other	<u>2,988</u>	<u>2,345</u>
Total other payables	<u>5,548</u>	<u>43,135</u>

¹ PM&C has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the period ended 30 June 2020

3.4. Interest Bearing Liabilities

	2020	2019
	\$'000	\$'000
Note 3.4: Leases		
Lease liabilities ¹		
Buildings	119,455	-
Plant and equipment	37	-
Total finance leases	119,492	-

¹ PM&C has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

Total cash outflow for leases for the year ended 30 June 2020 was \$7.599 million.

Accounting Policy

Refer Overview section for accounting policy on leases.

3.5. Make Good Provisions

	Make good provision	Total
	\$'000	\$'000
As at 1 July 2019	642	642
Transferred on restructure	(642)	(642)
Total as at 30 June 2020	-	-

Significant accounting judgements and estimates

Provision for the restoration of leased premises (make good) is based on future obligations relating to the underlying assets and is supported by independent qualified valuers' opinions.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the period ended 30 June 2020

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

	2020	2019
	\$'000	\$'000
Note 4.1A: Cash and cash equivalents		
Cash on hand or on deposit	1,342	1,282
Aboriginals Benefit Account - Special Account	-	9,154
Cash held in the Official Public Account - Special Account	-	28,626
Total cash and cash equivalents	1,342	39,062
Note 4.1B: Trade and other receivables		
Goods and services receivables		
Goods and services receivable	-	16
Total goods and services receivables	-	16
Advances and loans		
Loans to Australian Government entities	-	23,624
Total advances and loans	-	23,624
Other receivables		
Statutory receivables	73	15,522
Interest receivable	-	14,685
Grants receivable	146	23,182
Other	-	911
Total other receivables	219	54,300
Total trade and other receivables (gross)	219	77,940
Less impairment loss allowance		
Grants receivables	(146)	(21,488)
Total impairment loss allowance	(146)	(21,488)
Total trade and other receivables (net)	73	56,452

Accounting Policy

Loans

Concessional loans are initially recognised at their fair value. If the rate of interest charged is lower than the government bond rate (for government/public sector loans) or the counterparty's borrowing rate (for non-government loans), the difference between the amortised cost and the fair value of the loan is treated as an expense.

All loans were transferred to the National Indigenous Australians Agency (NIAA).

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2020

	2020	2019
	\$'000	\$'000
Note 4.1C: Investments in Corporate Commonwealth entities and companies		
Equity interest in		
Aboriginal Hostels Limited	143,347	149,272
Anindilyakwa Land Council	16,512	15,468
Australian Institute of Aboriginal and Torres Strait Islander Studies	44,254	41,087
Central Land Council	44,091	42,168
Indigenous Land and Sea Corporation	455,486	479,132
Indigenous Business Australia	1,552,467	1,499,150
National Australia Day Council Limited	932	797
Northern Land Council	31,431	11,516
Outback Stores Pty Ltd	41,120	41,983
Tiwi Land Council	7,144	4,704
Torres Strait Regional Authority	87,357	85,084
Wreck Bay Aboriginal Community Council	57,547	56,938
Old Parliament House	115,410	-
Total investments in Corporate Commonwealth entities and companies	2,597,098	2,427,299

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

Investment in Corporate Commonwealth Entities

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 hostels.

Australian Institute of Aboriginal and Torres Strait Islander Studies

The Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS) is a research, collections and publishing organisation that promotes knowledge and understanding of Aboriginal and Torres Strait Islander cultures, traditions, languages and stories, past and present.

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.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2020

Investment in Commonwealth Entities (continued)

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, fresh water and salt water.

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 asset for their benefit.

National Australia Day Council Limited

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.

Old Parliament House

The Old Parliament House promotes an enhanced appreciation and understanding of the political and social heritage of Australia for members of the public through activities including the conservation and upkeep of, and the provision of access to, Old Parliament House and the development of its collection, exhibitions and educational programs.

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.

Accounting Policy

Administered investments

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

Administered investments are classified as fair value through other comprehensive income and are measured at their fair value as at 30 June 2020. Fair value has been taken to be the Australian 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.

Corporate Commonwealth Entities and Companies are subject to prevailing economic conditions which include the impact of the COVID-19 pandemic. Due to the pandemic occurring late in this financial year, it has not caused any significant impacts to the amounts recorded for assets and liabilities of the Corporate Commonwealth Entities as at 30 June 2020. However, it should be noted that the full and ongoing impact from COVID-19 on the operations of the Corporate Commonwealth Entities and Companies into the future is at present unknown.

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2020**

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 2019					
Fair value	44,000	5,900	97	758	50,755
Work in progress	-	-	76	148	224
Accumulated depreciation and impairment	-	-	(97)	(232)	(329)
Total as at 1 July 2019	44,000	5,900	76	674	50,650
Recognition of right of use asset on initial application of AASB 16	-	1,533	-	-	1,533
Adjusted total as at 1 July 2019	44,000	7,433	76	674	52,183
Additions					
Purchases	-	58	425	275	758
Right-of-use assets	-	212	-	-	212
Revaluations recognised in other comprehensive income	(589)	71	140	(2)	(380)
Depreciation expense	-	(236)	(114)	(94)	(444)
Depreciation on right-of-use assets	-	(428)	-	-	(428)
Reclassifications	-	7	107	(165)	(51)
Write-down and impairments	(161)	-	-	(122)	(283)
Total as at 30 June 2020	43,250	7,117	634	566	51,567
Total as at 30 June 2020 represented by					
Fair value	43,250	7,781	731	1,238	53,000
Work in progress	-	-	-	102	102
Accumulated depreciation and impairment	-	(664)	(97)	(774)	(1,535)
Total as at 30 June 2020	43,250	7,117	634	566	51,567
Carrying amount of right-of-use assets	-	1,317	-	-	1,317

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2020

Accounting Policy

Revaluation

In 2019-20, PM&C procured the services of independent valuation experts (JLL) to perform a desktop valuation of administered land, buildings, property, plant and equipment and leasehold improvements assets as at 30 June 2020.

The experts provided written assurance that the models developed to value assets are in compliance with accounting and valuation standards and identified that currently there is significant valuation uncertainty due to the COVID-19 pandemic impacting markets. However, whilst this uncertainty exists 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 and the impact of COVID-19. The department currently has no assets held for sale which may be impacted by the market uncertainty.

Due to the valuation uncertainty, PM&C will conduct a revaluation in 2020-21 to ensure the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date.

Depreciation

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

Buildings excluding leasehold improvements	22 to 30 years (2019: 22 to 30 years)
Leasehold improvements	Lease term (2019: Lease term)
Plant and equipment	5 to 114 years (2019: 5 to 114 years)

DEPARTMENT OF THE PRIME MINISTER AND CABINET
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the period ended 30 June 2020

4.3. Administered – Payables		
	2020	2019
	\$'000	\$'000
Note 4.3A: Grants		
Public sector		
Australian Government entities (related parties)	-	21
Local Governments	-	220
State and Territory Governments	-	13
Private sector		
Commercial entities	-	236
Non-profit organisations	-	23,474
Total grants	-	23,964
Note 4.3B: Other payables		
Office of Township Leasing payables	-	1,809
Salaries, wages and superannuation	24	-
Other	413	1,074
Total other payables	437	2,883
4.4. Administered – Interest Bearing Liabilities		
Note 4.4: Leases		
Lease Liabilities ¹		
Buildings	1,314	-
Total finance leases	1,314	-
¹ PM&C has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.		
Total cash outflow for leases for the year ended 30 June 2020 was \$0.37 million.		

DEPARTMENT OF THE PRIME MINISTER AND CABINET
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the period ended 30 June 2020

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')

	2020 \$'000	2019 \$'000
Ordinary annual services		
Annual Appropriation		
Operating	308,803	407,376
Capital budget	20,174	17,514
Section 74 receipts	60,926	27,889
Section 75 transfers	(112,458)	(1,237)
Total available appropriation	277,445	451,542
Appropriation applied (current and prior years)	(250,658)	(442,747)
Variance	26,787	8,795
Opening unspent appropriation balance	110,979	103,374
Repeal of <i>Appropriation Acts 2016-17</i>	(11,320)	-
Repeal of <i>Appropriation Act (No. 1) 2015-16</i>	-	(1,190)
Closing unspent appropriation balance	126,446	110,979
Balance comprises appropriations as follows¹:		
<i>Appropriation Act (No. 1) 2016-17</i>	-	11,320
<i>Appropriation Act (No. 1) 2017-18 - Capital Budget (DCB) - Non Operating</i>	3,795	3,795
<i>Appropriation Act (No. 1) 2017-18</i>	10,168	10,168
<i>Appropriation Act (No. 1) 2018-19</i>	4,000	76,770
<i>Appropriation Act (No. 1) 2018-19 - Capital Budget (DCB) - Non Operating</i>	-	180
<i>Appropriation Act (No. 1) 2018-19 cash held by the department</i>	-	2,160
<i>Appropriation Act (No. 3) 2018-19</i>	-	6,586
<i>Appropriation Act (No. 1) 2019-20</i>	90,703	-
<i>Appropriation Act (No. 1) 2019-20 - Capital Budget (DCB) - Non Operating</i>	8,787	-
<i>Appropriation Act (No. 1) 2019-20 cash held by the department</i>	8,993	-
Total unspent appropriation - ordinary annual services	126,446	110,979
Other services		
Annual Appropriation		
Equity injections	791	8,273
Total available appropriation	791	8,273
Appropriation applied (current and prior years)	-	(7,791)
Variance	791	482
Opening unspent appropriation balance	7,063	6,581
Prior year section 75 transfers	(7,715)	-
Closing unspent appropriation balance	139	7,063
Balance comprises appropriations as follows :		
<i>Appropriation Act (No. 2) 2018-19 - Non Operating - Equity Injection</i>	139	7,063
Total unspent appropriation - other services	139	7,063
Total unspent appropriation	126,585	118,042

¹ The unspent annual appropriation is shown inclusive of Section 51 permanent quarantines against *Appropriation Act (No. 1) 2017-18 – Capital Budget – Non Operating* of \$3.795 million, *Appropriation Act (No. 1) 2017-18* of \$10.168 million, *Appropriation Act (No. 1) 2018-19* of \$4.000 million, *Appropriation Act (No. 1) 2019-20* of \$73.341 million and *Appropriation Act (No. 1) 2019-20 – Capital Budget – Non Operating* of \$6.710 million.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the period ended 30 June 2020

Note 5.1B: Administered annual and unspent appropriations ('recoverable GST exclusive')		
	2020	2019
	\$'000	\$'000
Ordinary annual services		
Annual Appropriation		
Operating	558,971	1,270,474
Capital budget	1,233	1,276
Payments to corporate Commonwealth entities/companies	119,184	111,105
Section 74 receipts	514	4,103
Section 75 transfers	(563,430)	126
Total available appropriation	116,472	1,387,084
Appropriation applied (current and prior years)	(147,921)	(1,402,289)
Variance	(31,449)	(15,205)
Opening unspent appropriation balance	77,895	102,254
Repeal of <i>Annual Appropriation Acts 2015-16</i>	-	(9,154)
Repeal of <i>Annual Appropriation Act 2016-17</i>	(39,216)	-
Closing unspent appropriation balance	7,230	77,895
Balance comprises appropriations as follows:¹		
<i>Appropriation Act (No. 1) 2016-17</i>	-	39,058
<i>Appropriation Act (No. 1) 2016-17 - Capital Budget (DCB) - Non Operating</i>	-	146
<i>Supply Act (No. 1) 2016-17 - Capital Budget (DCB) - Non Operating</i>	-	12
<i>Appropriation Act (No. 1) 2017-18</i>	984	1,010
<i>Appropriation Act (No. 1) 2017-18 - Capital Budget (DCB) - Non Operating</i>	253	253
<i>Appropriation Act (No. 1) 2018-19</i>	107	34,654
<i>Appropriation Act (No. 1) 2018-19 - Capital Budget (DCB) - Non Operating</i>	863	863
<i>Appropriation Act (No. 3) 2018-19</i>	1,709	1,709
<i>Appropriation Act (No. 1) 2018-19 - Capital Budget (DCB) - Non Operating</i>	190	190
<i>Appropriation Act (No. 1) 2019-20</i>	-	-
<i>Appropriation Act (No. 1) 2019-20 - Capital Budget (DCB) - Non Operating</i>	407	-
<i>Supply Act (No. 1) 2019-20 - Capital Budget (DCB) - Non Operating</i>	514	-
<i>Appropriation Act (No. 3) 2019-20</i>	2,203	-
Total unspent appropriation - ordinary annual services	7,230	77,895
Other services		
Annual Appropriation		
States, ACT, NT and Local government	-	6,536
Payments to corporate Commonwealth entities/companies	25,035	24,913
Total available appropriation	25,035	31,449
Appropriation applied (current and prior years)	(25,035)	(31,449)
Variance	-	-
Opening unspent appropriation balance	-	-
Closing unspent appropriation balance	-	-
Total unspent appropriation	7,230	77,895

¹ The administered unspent annual appropriation is shown inclusive of Section 51 permanent quarantines against *Appropriation Act (No.1) 2017-18* of \$0.984 million and *Appropriation Act (No.1) Capital Budget (DCB) 2017-18* of \$0.253 million

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2020

Note 5.1C: Special appropriations ('recoverable GST exclusive')		
Authority	Appropriation applied	
	2020	2019
	\$'000	\$'000
<i>Aboriginal Land Rights (Northern Territory) Act 1976</i>	-	430,627
<i>Public Governance, Performance and Accountability Act 2013 s.77</i>	-	-
<i>Higher Education Support Act 2003</i>	-	69,135
Total	-	499,762

There were no transactions during 2019 for special appropriations *Indigenous Education (Targeted Assistance) Act 2000*, s.13 and *Native Title Act 1993*, s.54(2). These were transferred to NIAA on 1 July 2019.

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.

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2020**

5.2. Special Accounts

	Services for Other Entities and Trust Moneys ¹		Aboriginals and Torres Strait Islander Corporations Unclaimed Money Account ²		Indigenous Remote Services Delivery Special Account ³		Aboriginals Benefit Account ⁴		Aboriginals and Torres Strait Islander Land Account ⁵	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance brought forward from previous period	1,864	1,418	979	981	25,782	9,885	9,154	11,212	-	1
Increases										
Administered										
Appropriation credited to special account	-	-	-	-	-	28,500	-	429,608	-	-
Investments realised	-	-	-	-	-	-	-	853,746	-	1,717,559
Interest receipts	-	-	-	-	-	-	-	20,348	-	32,718
Other receipts	100	817	-	-	-	1,363	-	2,394	-	-
Total increase	100	817	-	-	-	29,863	-	1,306,096	-	1,750,277
Available for payments	1,964	2,235	979	981	25,782	39,748	9,154	1,317,308	-	1,750,278
Decreases										
Administered										
Transfers due to restructure	(1,637)	-	(979)	-	(25,782)	-	(9,154)	-	-	-
Transfers to OPA	-	-	-	-	-	-	-	-	-	(366,122)
PGPA Act section 58 investments	-	-	-	-	-	-	-	(1,102,500)	-	(1,330,745)
Payments made	(327)	(371)	-	(2)	-	(13,966)	-	(205,654)	-	(53,411)
Total decreases	(1,964)	(371)	(979)	(2)	(25,782)	(13,966)	(9,154)	(1,308,154)	-	(1,750,278)
Total balance carried to the next period	-	1,864	-	979	-	25,782	-	9,154	-	-
Balance represented by:										
Cash held in entity bank accounts	-	-	-	-	-	-	-	9,154	-	-
Cash held in the Official Public Account	-	1,864	-	979	-	25,782	-	-	-	-
Total balance carried to the next period	-	1,864	-	979	-	25,782	-	9,154	-	-

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2020

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

Establishing Instrument: PGPA Act Determination (DPM&C 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.

²*Appropriation: Public Governance, Performance and Accountability Act 2013; section 80*

Establishing Instrument: Corporations (Aboriginal and Torres Strait Islander) Act 2006; section 551-20

Purpose: To administer unclaimed moneys received by the Registrar of Aboriginal and Torres Strait Islander Corporations. This account transferred to NIAA on 1 July 2019.

This account is non-interest bearing.

³*Appropriation: Public Governance, Performance and Accountability Act 2013; section 78*

Establishing Instrument: Determination 2010/06

Purpose: To support the implementation of the Remote Service Delivery National Partnership Agreement. It will provide the Australian Government with the capacity to address high priority projects in a timely way and support projects identified through the local implementation planning process. This account transferred to NIAA on 1 July 2019.

This account is non-interest bearing.

⁴*Appropriation: Public Governance, Performance and Accountability Act 2013; section 80*

Establishing Instrument: Aboriginal Land Rights (Northern Territory) Act 1976; sections 62, 63, 64 and 65

Purpose: For the receipt and disbursement of the equivalent of mining royalty moneys derived from mining operations on Aboriginal land in the Northern Territory. This account transferred to NIAA on 1 July 2019.

This account is interest bearing.

⁵*Appropriation: Public Governance, Performance and Accountability Act 2013; section 80*

Establishing Instrument: Section 192W of the Aboriginal and Torres Strait Islander Act 2005

Purpose: To provide a secure stream of income to the Indigenous Land and Sea Corporation in perpetuity to provide economic, environmental, social and cultural benefits for Aboriginal people and Torres Strait Islanders by assisting in the acquisition and management of an Indigenous land base. This account was transferred to the Finance Portfolio in February 2019.

This account is interest bearing.

Indigenous Land and Sea Corporation Funding Special Account

The Indigenous Land and Sea Corporation Funding Special Account is a special account under section 80 of the PGPA Act.

Establishing Instrument: Section 12 of the Aboriginal and Torres Strait Islander Land and Sea Future Fund Act 2018 (ATSILSFF Act).

The new Indigenous Land and Sea Corporation Funding Special Account was established on 1 February 2019 to continue payments to the Indigenous Land and Sea Corporation. There were no transactions credited or debited to the special account during 2019. This account transferred to NIAA on 1 July 2019.

Aboriginal Advancement Account

The Aboriginal Advancement Account was established under section 80 of the PGPA Act.

The purpose of the account is for furthering the social and economic advancement of Aboriginal people living in Victoria. There were no transactions credited or debited to the special account during 2019. This account transferred to NIAA on 1 July 2019.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the period ended 30 June 2020

6. People

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

6.1. Employee Provisions

	2020	2019
	\$'000	\$'000
Note 6.1A: Employee provisions		
Annual leave	15,058	25,953
Long service leave	<u>25,755</u>	<u>60,244</u>
Total employee provisions	<u>40,813</u>	<u>86,197</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 during 2020. 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.

Superannuation

PM&C's 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 Australian Government. 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.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the year.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2020

	2020	2019
	\$'000	\$'000
Note 6.1B: Administered employee provisions		
Annual leave	194	174
Long service leave	264	259
Total employee provisions	458	433

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. Accounting policies are consistent with those applied to departmental items.

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

Non-cash benefits - former Governors-General	18,008	18,909
Total non-cash benefits - former Governors-General benefits	18,008	18,909

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

Net liability at 1 July	18,909	13,251
Current service cost	-	3,547
Finance costs	236	331
Actuarial losses	593	3,257
Benefits paid	(1,730)	(1,477)
Net liability at 30 June	18,008	18,909

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

Discount rate at 30 June	0.69%	1.25%
Future salary increases	2.90%	3.50%
Inflation rate	1.97%	2.50%
Rate of expenditure slow down with age	3.00%	3.00%

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 2020

6.2. Key Management Personnel Remuneration		
	2020	2019
	\$'000	\$'000
Short-term employee benefits	3,332	4,184
Post-employment benefits	467	616
Other long-term employee benefits	107	211
Termination benefits	880	0
Total key management personnel remuneration expenses¹	4,786	5,011

The total number of key management personnel included in the above table is 13 (2019: 16). The reduction in the number of key management personnel is due to the transfer of the Indigenous Affairs function to the NIAA. Key management personnel on acting arrangements are included where the length of the arrangement is longer than two months.

¹ Excludes remuneration and other benefits of the PM&C 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 other Australian Government entities.

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

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens for example payment or refund of taxes, receipt of a Medicare rebate or higher education loans. PM&C transacts with other Australian Government controlled entities for normal day-to-day business operations provided under normal terms and conditions or on a cost recovery basis. This includes the provision of shared services such as IT, Finance, HR and governance and ministerial support. These transactions have not been disclosed in this note.

Giving consideration to relationships with related entities, and transactions entered into during the reporting period (including comparative year) by PM&C, it has been determined that there are no related party transactions to be separately disclosed.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the period ended 30 June 2020

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

PM&C is not aware of any material quantifiable or unquantifiable contingent assets or liabilities as at 30 June 2020.

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 2020.

7.2. Financial Instruments

	2020	2019
	\$'000	\$'000
Note 7.2A: Categories of financial instruments		
Financial assets at amortised cost		
Cash and cash equivalents	8,993	2,160
Goods and services receivables (net)	2,831	4,924
Accrued revenue	4,866	1,876
Total financial assets at amortised cost	16,690	8,960
Total financial assets	16,690	8,960
Financial liabilities		
Financial liabilities measured at amortised cost		
Trade creditors and accruals	8,501	19,035
Total financial liabilities measured at amortised cost	8,501	19,035
Total financial liabilities	8,501	19,035
Note 7.2B: Net gains or losses on financial assets		
Financial assets at amortised cost		
Impairment	-	(151)
Reversal of impairment	777	9
Net gains/ (losses) on financial assets at amortised cost	777	(142)
Net gain/ (loss) on financial assets	777	(142)

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2020

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

	2020	2019
	\$'000	\$'000
Note 7.3A: Categories of financial instruments		
Financial assets at amortised cost		
Bank term deposits	-	1,042,500
Cash and cash equivalents	1,342	39,062
Loans to Australian Government entities	-	23,624
Goods and services receivable	-	16
Interest receivable	-	14,685
Grants receivable (net)	-	1,694
Total financial assets at amortised cost	1,342	1,121,581
Financial assets at fair value through other comprehensive income		
Investments in Corporate Commonwealth entities	2,597,098	2,427,299
Total financial assets at fair value through other comprehensive income	2,597,098	2,427,299
Total financial assets	2,598,440	3,548,880
Financial liabilities		
Financial liabilities measured at amortised cost		
Trade creditors and accruals	148	8,549
Grants	-	23,964
Other payables	-	1,809
Total financial liabilities measured at amortised cost	148	34,322
Total financial liabilities	148	34,322

DEPARTMENT OF THE PRIME MINISTER AND CABINET
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the period ended 30 June 2020

	2020	2019
	\$000	\$000
Note 7.3B: Net gains or losses on financial instruments		
Financial assets at amortised cost		
Interest revenue	-	60,702
Reversal of impairment	-	669
Impairment	-	(2,091)
Other gains	-	2,568
Net gains on financial assets at amortised cost	-	61,848
Investment in equity instruments at fair value through other comprehensive income		
Changes in investments in Corporate Commonwealth entities	27,018	92,620
Net gain on investments in equity instruments at fair value through other comprehensive income	27,018	92,620

Accounting Policy

Financial assets

Term Deposits

In 2018-19, investment activities were conducted in accordance with the requirements of section 58 of the PGPA Act. Investments were typically low risk and took the form of term deposits. The investment objective of PM&C was to comply with legislative obligations under the PGPA Act and the *Aboriginal Land Rights (Northern Territory) Act 1976* (ALRA). Investment practices were also governed by the investment policy of PM&C, which required the management of the portfolio to respond to positive investment opportunities in the market so as to achieve the best possible returns for the account within the legislative framework.

Term deposits transferred to NIAA on 1 July 2019.

Administered Investments

Administered investments are classified as fair value through other comprehensive income (FVOCI) and are measured at their fair value as at 30 June 2020. Fair value has been taken to be the Australian 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.

Any gains or losses as a result of fair value measurement or the recognition of an impairment loss allowance is recognised in other comprehensive income.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the period ended 30 June 2020

8. Other Information

8.1. Aggregate Assets and Liabilities

	2020 \$'000	2019 \$'000
<u>Note 8.1A: Aggregate Assets and Liabilities</u>		
Assets expected to be recovered in:		
No more than 12 months	49,557	108,593
More than 12 months	186,217	153,396
Total assets	235,774	261,989
Liabilities expected to be settled in:		
No more than 12 months	34,772	53,943
More than 12 months	139,582	95,066
Total liabilities	174,354	149,009

Note 8.1B: Administered Aggregate Assets and Liabilities

Assets expected to be recovered in:		
No more than 12 months	1,589	1,121,520
More than 12 months	2,648,665	2,498,162
Total assets	2,650,254	3,619,682
Liabilities expected to be settle in:		
No more than 12 months	1,221	35,585
More than 12 months	19,468	19,258
Total liabilities	20,689	54,843

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2020

8.2. Restructuring

In 2019-20 there were several restructures that impacted the Department as the result of Government decisions. PM&C assumed responsibility for the Deregulation agenda from the former Department of Employment, Skills, Small and Family Business following a decision of the Prime Minister on 4 December 2019. Old Parliament House was transferred from the then Communications and the Arts portfolio to the PM&C portfolio following amendments to the Administrative Arrangements Order issued on 8 August 2019.

The NIAA was established in the PM&C Portfolio as at 1 July 2019. Indigenous Affairs functions have been relinquished by the Department and transferred to NIAA as at that date.

Restructuring 2020

	Deregulation Department of Employment, Skills, Small and Family Business	Old Parliament House Department of Communications and the Arts
	\$'000	\$'000
FUNCTION ASSUMED		
Assets recognised		
Appropriation receivable	172	-
Investments in Corporate Commonwealth entities	-	117,746
Total assets recognised	172	117,746
Liabilities recognised		
Other payables	11	-
Employee provisions	184	-
Total liabilities recognised	195	-
Net Assets / (liabilities) assumed	(23)	117,746
Income		
Recognised by the receiving entity	268	8,665
Recognised by the losing entity	414	6,118
Total income assumed	682	14,783
Expenses		
Recognised by the receiving entity	268	8,665
Recognised by the losing entity	414	6,118
Total expenses	682	14,783

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2020

	Indigenous Affairs	
	National Indigenous \$'000	Australians Agency \$'000
FUNCTION RELINQUISHED		
Assets relinquished		
Cash and cash equivalents	37,552	-
Trade and other receivables	41,304	52,249
Other financial assets	1,042,500	750
Property, plant and equipment	-	75,152
Intangibles	-	11,535
Assets held for sale	-	1,012
Other non-financial assets	3,677	-
Total assets relinquished	1,125,033	140,698
Liabilities relinquished		
Trade creditors and accruals	8,263	2,047
Grants payable	23,964	-
Other payables	2,773	16,078
Employee provisions	49	48,079
Make good provisions	-	642
Total liabilities relinquished	35,049	66,846
Net assets relinquished	1,089,984	73,852
Equity relinquished		
Reserves	-	5,516
Total equity relinquished	-	5,516

Other functions relinquished

Responsibility for the National Orphanage Museum establishment was relinquished to the Department of Social Services following a decision of the Prime Minister, effective 3 September 2019. No assets or liabilities were transferred.

Responsibility for the ongoing activities of the former Joint Agency Drought Taskforce was relinquished to the Department of Agriculture following a decision of the Prime Minister, effective 1 July 2019. No assets or liabilities were transferred.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2020

Restructuring 2019

	National Office of Child Safety (NOCS)		Indigenous Children and Schooling Department of Education ²
	Department of Social Services ¹		
	\$'000	\$'000	\$'000
FUNCTION ASSUMED			
Assets recognised			
Appropriation receivable	-	361	67
Total assets recognised	-	361	67
Liabilities recognised			
Employee provisions	-	361	67
Total liabilities recognised	-	361	67
Net assets assumed	-	-	-
Expenses			
Recognised by the receiving entity	126	813	293
Recognised by the losing entity	4	695	-
Total expenses	130	1,508	293

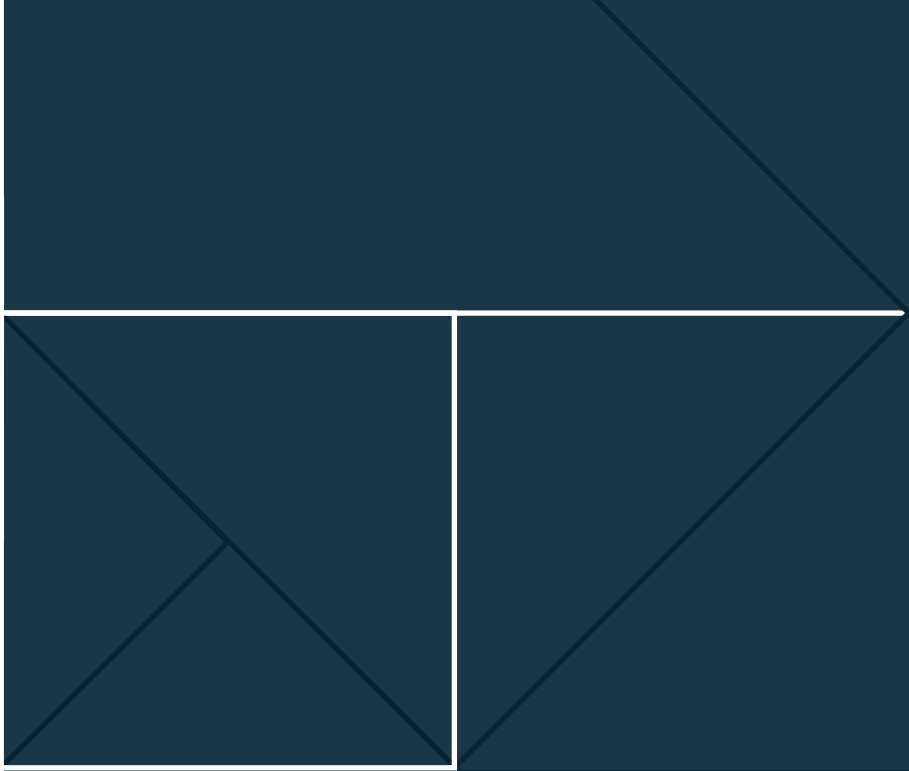
	National Cyber Security Adviser ³ Australian Signals Directorate	Independent National Security Legislation Monitor ⁴ Attorney- General's Department
	\$'000	\$'000
FUNCTION RELINQUISHED		
Assets relinquished		
Appropriation receivable	72	227
Total assets relinquished	72	227
Liabilities relinquished		
Employee provisions	72	227
Total liabilities relinquished	72	227
Net assets relinquished	-	-

¹ Responsibility for the NOCS was transferred to PM&C following a decision of the Prime Minister effective 24 January 2019.

² Responsibility for Indigenous Children and Schooling Program was transferred to PM&C following a decision of the Prime Minister on 3 April 2018.

³ Responsibility for the National Cyber Security Adviser was relinquished to the Australian Signals Directorate in 2017-18 following the Administrative Arrangements Order of 10 May 2018. Funding transfers for this function were finalised in 2018-19 as presented above.

⁴ Responsibility for the Independent National Security Legislation Monitor was relinquished to the Attorney-General's Department in 2017-18 following the Administrative Arrangements Order of 10 May 2018. Funding transfers for this function were finalised in 2018-19 as presented above.



PART FIVE

Glossary and indexes

Compliance index

PGPA RULE REFERENCE	PART OF REPORT	DESCRIPTION	REQUIREMENT
17AD(g) Letter of transmittal			
17AI	iii	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)	v–vi	Table of contents.	Mandatory
17AJ(b)	262–268	Alphabetical index.	Mandatory
17AJ(c)	259–261	Glossary of abbreviations and acronyms.	Mandatory
17AJ(d)	251–258	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)	1–4	A review by the accountable authority of the entity.	Mandatory

PGPA RULE REFERENCE	PART OF REPORT	DESCRIPTION	REQUIREMENT
17AD(b) Overview of the entity			
17AE(1)(a)(i)	5	A description of the role and functions of the entity.	Mandatory
17AE(1)(a)(ii)	6–8, 10–11	A description of the organisational structure of the entity.	Mandatory
17AE(1)(a)(iii)	14	A description of the outcomes and programmes administered by the entity.	Mandatory
17AE(1)(a)(iv)	5, 14	A description of the purposes of the entity as included in corporate plan.	Mandatory
17AE(1)(aa)(i)	166	Name of the accountable authority or each member of the accountable authority	Mandatory
17AE(1)(aa)(ii)	166	Position title of the accountable authority or each member of the accountable authority	Mandatory
17AE(1)(aa)(iii)	166	Period as the accountable authority or member of the accountable authority within the reporting period	Mandatory
17AE(1)(b)	9	An outline of the structure of the portfolio of the entity.	Portfolio departments – mandatory
17AE(2)	21	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			
Annual Performance Statements			
17AD(c)(i); 16F	17–149	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory
17AD(c)(ii) Report on Financial Performance			
17AF(1)(a)	182–189	A discussion and analysis of the entity's financial performance.	Mandatory
17AF(1)(b)	186–189	A table summarising the total resources and total payments of the entity.	Mandatory

PGPA RULE REFERENCE	PART OF REPORT	DESCRIPTION	REQUIREMENT
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)	iii	Information on compliance with section 10 (fraud systems)	Mandatory
17AG(2)(b)(i)	iii	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory
17AG(2)(b)(ii)	iii	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)	iii, 158–159	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)	151–156	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory
17AG(2)(d) – (e)	193	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
Audit Committee			
17AG(2A)(a)	152	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory

PGPA RULE REFERENCE	PART OF REPORT	DESCRIPTION	REQUIREMENT
17AG(2A)(b)	153–156	The name of each member of the entity's audit committee.	Mandatory
17AG(2A)(c)	153–156	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory
17AG(2A)(d)	153–156	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory
17AG(2A)(e)	153–156	The remuneration of each member of the entity's audit committee.	Mandatory
External Scrutiny			
17AG(3)	159	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory
17AG(3)(a)	159	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)	N/A	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
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)	160–173	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory

PGPA RULE REFERENCE	PART OF REPORT	DESCRIPTION	REQUIREMENT
17AG(4)(aa)	160–166	<p>Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following:</p> <ul style="list-style-type: none"> • statistics on full-time employees; • statistics on part-time employees; • statistics on gender • statistics on staff location 	Mandatory
17AG(4)(b)	160–166	<p>Statistics on the entity's APS employees on an ongoing and non-ongoing basis, including the following:</p> <ul style="list-style-type: none"> • Statistics on staffing classification level; • 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)	174	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)	174	Information on the number of SES and non-SES employees covered by agreements etc identified in paragraph 17AG(4)(c).	Mandatory
17AG(4)(c)(ii)	174	The salary ranges available for APS employees by classification level.	Mandatory
17AG(4)(c)(iii)	179	A description of non-salary benefits provided to employees.	Mandatory
17AG(4)(d)(i)	179	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

PGPA RULE REFERENCE	PART OF REPORT	DESCRIPTION	REQUIREMENT
17AG(4)(d) (iv)	N/A	Information on aggregate amount of performance payments.	If applicable, Mandatory
Assets Management			
17AG(5)	193	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)	189–193	An assessment of entity performance against the <i>Commonwealth Procurement Rules</i> .	Mandatory
Consultants			
17AG(7)(a)	190	A summary statement detailing the number of new contracts engaging consultants entered into during the period; the total actual expenditure on all new consultancy contracts entered into during the period (inclusive of GST); the number of ongoing consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting year on the ongoing consultancy contracts (inclusive of GST).	Mandatory
17AG(7)(b)	190	A statement that “ <i>During [reporting period], [specified number] new consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing consultancy contracts were active during the period, involving total actual expenditure of \$[specified million]</i> ”.	Mandatory
17AG(7)(c)	190	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)	190	A statement that “ <i>Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website.</i> ”	Mandatory

PGPA RULE REFERENCE	PART OF REPORT	DESCRIPTION	REQUIREMENT
Australian National Audit Office Access Clauses			
17AG(8)	189	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)	190	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)	191	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
17AG(10)(b)	191	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory
17AG(10)(c)	191	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

PGPA RULE REFERENCE	PART OF REPORT	DESCRIPTION	REQUIREMENT
Financial Statements			
17AD(e)	195–249	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory
Executive Remuneration			
17AD(da)	175–178	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2-3 of the Rule.	Mandatory
17AD(f)	Other Mandatory Information		
17AH(1)(a)(i)	191–193	If the entity conducted advertising campaigns, a statement that <i>“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.”</i>	If applicable, Mandatory
17AH(1)(a)(ii)	N/A	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, Mandatory
17AH(1)(b)	193	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)	167	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory
17AH(1)(d)	159	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)	N/A	Correction of material errors in previous annual report.	If applicable, mandatory
17AH(2)	159, 180–182	Information required by other legislation.	Mandatory

List of abbreviations

APS	Australian Public Service
ARC	Audit and Risk Committee
BETA	Behavioural Economics Team of the Australian Government
CALD	Culturally and Linguistically Diverse
CESAR	Cyber Enhanced Situational Awareness and Response
COAG	Council of Australian Governments
COO	Chief Operating Officer
CPRs	Commonwealth Procurement Rules
CRO	Chief Risk Officer
CSM	Community Service Ministers
CSP	Indonesia–Australia Comprehensive Strategic Partnership
DAT Bill	Data Availability and Transparency Bill
DIPA	Data Integration Partnership for Australia
DSS	Department of Social Services
EL	Executive Level
EVA	Executive Vehicle Allowance
FOI	Freedom of Information
G20	Group of Twenty
GST	Goods and Services Tax
IPS	Information Publication Scheme
KMP	key management personnel
LGBTIQ+	Lesbian, Gay, Bisexual, Transgender/Gender Diverse, Intersex and Queer
MP	Member of Parliament
MYEFO	Mid-Year Economic and Fiscal Outlook
NABERS	National Australian Built Environment Rating System
NAIDOC	National Aborigines and Islanders Day Observance Committee
NASP	Northern Australia Strategic Partnership

NBRA	National Bushfire Recovery Agency
NCCC	National COVID-19 Coordination Commission
NDIA	National Disability Insurance Agency
NDIS	National Disability Insurance Scheme
NIAA	National Indigenous Australians Agency
NQLIRA	North Queensland Livestock Industry Recovery Agency
NRW	National Reconciliation Week
NSC	National Security Committee
NSPA	National Suicide Prevention Adviser
OECD	Organisation for Economic Co-operation and Development
ONDC	Office of the National Data Commissioner
PBS	Portfolio Budget Statements
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PGPA Rule	Public Governance, Performance and Accountability Rule 2014
RAP	Reconciliation Action Plan
RIS	Regulation Impact Statement
SES	Senior Executive Service
SII	Social Impact Investing
SMEs	small and medium enterprises
SCNS	Secretaries Committee on National Security
UN	United Nations
US	United States of America
VET	vocational education and training
VTRP	Voluntary Transparency Reporting Protocol
WESS	Women's Economic Security Statement
WHS	work health and safety

Glossary of terms

Administrative Arrangements Order

An order, issued by the Governor-General on advice from the Prime Minister, which indicates the principal matters dealt with by each Department of State and the legislation administered within each portfolio.

Agency

A Department of State, Department of Parliament or prescribed agency under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

Budget

Sets out the 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 three 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 through COAG.

Council of Australian Governments (COAG)

The peak intergovernmental forum in Australia, comprising the Prime Minister, state premiers, territory chief ministers and the President of the Australian Local Government Association.

Enterprise agreement

An agreement about the terms and conditions of employment, made under the *Fair Work Act 2009*.

Portfolio Additional Estimates Statements (PAES)

Statements of changes since the Budget to the proposed allocation of resources.

Portfolio Budget Statements (PBS)

Statements that explain where appropriated funds are to be spent for the portfolio.

Secretary's Instructions

Instructions and guidance provided for accountability requirements under the PGPA Act.

Alphabetical index

A

abbreviations, 259–260

Aboriginal and Torres Strait Islander people see Indigenous Australians

activities administered on behalf of Government, 183–184

administrative tribunal decisions, 159

advertising and market research, 191–193

Aged Care Royal Commission, 31, 83, 86–87

agricultural landscape, 30, 76–77

annual performance statement, 17–149
statement of preparation, 17
see *also* performance

Asia-Pacific Ministerial Conference on the Beijing+25 Review, 95, 99–100

asset management, 193

Attorney-General's Department, 32, 39, 48, 83, 85, 86, 129, 158

audit, external, 159

Audit and Risk Committee, 152–156

Australia–India Leaders' Virtual Summit, 110, 114–115

Australian Bureau of Statistics, 145

Australian government boards, diversity, 96, 100–101

Australian Government data resources access tool, 123, 143, 145

Australian honours see honours system, Australian

Australian Public Service
expectations of, 4
machinery of government changes, 127–128

reforms, 2, 24, 123, 128

Australian Tax Office, 44

B

Behavioural Economics Team of the Australian Government (BETA), 41, 144

Beijing+25, 95, 99–100

bushfire response, 1–2, 7, 18, 21, 43, 46, 59, 61–62, 67, 79, 87, 109, 181

business planning, COVIDSafe toolkit, 22, 23, 146

C

Cabinet, services to, 3, 4, 5, 6, 7, 14, 18–21, 121

Cabinet processes see CabNet+ system

CabNet+ system, 38, 123, 125–127

Chief Operating Officer Group, 7

Chief Operating Officers Committee, 3

child sexual abuse prevention, 79, 101–103

Christchurch terrorism attacks, 92

climate risk, 158

Closing the Gap, 80, 105, 106–107

Coalition of Aboriginal and Torres Strait Islander Peak Organisations, 105, 106–107

committees, governance, 152

complaints management, 158

consultants, 190

Consultative Committee, 152

counter-terrorism, 6, 37, 116, 134, 140

corporate governance, 151–156

Corporate Plan 2019–2023, 14, 18

purposes, performance against see performance

correspondence workflows, 40, 138–139, 142

Council of Australian Governments (COAG), 6, 20, 28, 43, 53–54, 60, 61, 68–69, 82, 84

Closing the Gap initiative see Closing the Gap

replaced by National Cabinet, 21

COVID-19 response, 1–2, 8, 18, 21, 43–45, 117–121

COVIDSafe tools, 22, 23, 146

G20 Leaders' Statement, 62, 63

see *also* National Cabinet; National COVID-19 Coordination Commission

Cyber Security Strategy, 109, 116

D

Data at Your Desk tool, 123, 143, 145

Data Availability and Transparency Bill, 123, 147, 148

Data Integration Partnership for Australia, 41, 143, 145

data sharing, 41, 147, 148

Defence White Paper Investment Program, 38, 119, see *also* Naval Shipbuilding Plan

definitions (glossary), 261

Department of Agriculture, Water and the Environment, 69, 128

Department of Defence, 111, 119

Department of Education, Skills and Employment, 48, 128

Department of Health, 3, 82, 86

Department of Home Affairs, 48, 109, 110, 116

Department of Human Services, 128

Department of Industry, Science, Energy and Resources, 48, 128

Department of Infrastructure, Transport, Regional Development and Communications, 48, 128

Department of Social Services, 44, 86, 97, 128, 145

Department of the Treasury, 44, 48

departmental activities, 184–185

deregulation, 27, 55

digital economy and society, case study, 48

Digital Technology Taskforce, 26, 47, 48–49

digital transformation, 24, 48–49

Disability Royal Commission, 31, 83, 86–87

disaster response see bushfire response; COVID-19 response

diversity groups, workplace, 167–172

diversity outcomes, national, 130–132, see *also* gender equality

Domestic Policy Group, 6

domestic violence see family and domestic violence

drought, 30, 67, 74–75, 77

E

economic growth and jobs, performance results, 26–28, 42–65

Economic Support Payment, 44, 45

education see National School Reform Agreement

employees

- affected by family and domestic violence, 173
- average staffing level, 189

flexible work practices, 172
 inclusion and diversity, 167–172
 Indigenous, 166
 recruitment, 173
 remuneration, 174–179
 statistics, 160–166

employment, 160–180
 arrangements and conditions, 174
 Indigenous, 166, 172

enterprise agreement, 174

environmental performance,
 departmental, 181–182

environmental purpose and initiatives,
 performance results, 29–30, 66–77

events delivered, 137

Executive, 8, 10–11

Executive Board, 152

expenses for outcomes, 188–189

external audit, 159

external scrutiny, 159

F

families and communities purpose,
 performance results, 31–36, 78–107

family and domestic violence, 34, 94,
 97–98, 173

Federal Executive Council, 20, 21

federal judicial architecture, 32, 85

finance law, compliance with, 193

financial management, 182–189

Financial Services Royal Commission, 56,
 57–58

financial statements, 195–249

flexible work practices, 172

fraud prevention and control, 158–159

freedom of information, 159
 freedom of religious belief, 33, 89

G

G20 Leaders' Summits, 62–63, 92, 112

Gaetjens, Philip (Secretary), review by, 1–4

gender equality, 34, 94, 96
 on Australian government boards, 96,
 100–101
 in Australian honours, 130–132
 global initiatives, 99–100
 staff gender balance, 160–164

glossary, 261

governance (Purpose 5, Governing well),
 38–41, 122–149

Governance Group, 7

grant programs, 193

Guests of Government program, 40, 133,
 136

H

Heads of State and Heads of
 Government, visits by and virtual
 meetings with, 40, 110, 114–115, 123,
 133–136, *see also* prime ministerial
 overseas visits

health *see* National Health Reform
 Agreement

Health, Safety and Wellbeing Committee,
 152

honours system, Australian, 33, 39, 79, 90,
 130–132

Hunt, the Hon Greg MP (Minister
 Assisting the Prime Minister for the
 Public Service and Cabinet), 13

I

- Inclusion and Diversity Committee, 152
- Independent Review of the APS (Thodey Review), 24
- India, virtual summit with, 110, 114–115
- Indigenous Affairs functions *see* National Indigenous Australians Agency
- Indigenous Affairs Group, 168, *see also* National Indigenous Australians Agency
- Indigenous Australians
 - Closing the Gap, 80, 105, 106–107
 - Minister for, 13
 - see also* National Indigenous Australians Agency
- Indonesian President, state visit, 134–135
- Information Commissioner, 159
- Information Publication Scheme, 159
- information technology, 172
 - CabNet+ system, 38, 123, 125–127
 - Data at Your Desk tool, 123, 143, 145
- infrastructure priorities, support for, 3, 26, 50–51, 67, 68, 69, 70–71
- Institutional Responses to Child Sexual Abuse Royal Commission, 102
- international engagement, 3, 28, 40, 62–63, 99–100, 109–115

J

- JobKeeper payment, 2, 44, 45, 117
- jobs *see* economic growth and jobs, performance results
- JobSeeker payment, 44, 45, 117
- judicial decisions, 159

K

- key management personnel, 175–177

L

- learning and development, employee, 179–180
- legal risks, whole-of-government, 39, 129
- legislative program, 38, 124
- letter of transmittal, iii

M

- machinery of government changes, 127–128
- market research, 191–193
- men *see* gender equality
- mental health support, 3, 79, 82, 180, 181
- ministerial correspondence, 40, 138–139, 142
- ministers, 12–13
- mission, 4
- Morrison, the Hon Scott MP (Prime Minister), 12
- Morton, the Hon Ben MP (Assistant Minister to the Prime Minister and Cabinet), 13

N

- National Aborigines and Islanders Day Observance Committee (NAIDOC), 170–171
- National Australia Day Council, 183
- National Bushfire Recovery Agency, 2, 7, 18, 21, 43, 46, 61–62, 67
- National Bushfire Recovery Fund, 7, 46, 59, 67
- National Cabinet, 2, 6, 60, 109, 116
 - establishment and COVID-19 response, 2, 21, 117–118, 121–122

- and national health agreement addendum, 32, 84
 - replaces COAG, 21
 - and skills reform, 52, 53–54
 - National Commissioner for Defence and Veteran Suicide Prevention, 79, 82
 - National Coordination Mechanism, 2, 117
 - National COVID-19 Coordination Commission, 2, 8, 18, 21, 22–23, 144, 146
 - National Disability Insurance Scheme participation, 31, 83
 - National Drought and North Queensland Flood Response and Recovery Agency, 74, 75
 - National Health Reform Agreement, 32, 79, 84
 - National Indigenous Australians Agency, 14, 21, 36, 80, 105, 106, 168, 183
 - National Natural Disaster Arrangements Royal Commission, 43, 87–88
 - National Office for Child Safety, 101, 102–103
 - National Plan to Reduce Violence against Women and their Children 2010–2022, Fourth Action Plan, 34, 94, 97–98, 173
 - National School Reform Agreement, 32, 85
 - National Security and International Policy Group, 6
 - National Security Committee, 38, 109, 120
 - COVID-19 Taskforce, 121
 - national security purpose, performance results, 37–38, 108–121
 - National Skills Commission and National Careers Institute, 52, 53–54
 - National Soils Advocate, 30, 76–77
 - National Strategy to Prevent Child Sexual Abuse, 35, 79, 101–103
 - National Suicide Prevention Adviser, 3, 31, 79, 82
 - National Vision for Vocational Education and Training, 27, 52–54
 - National Waste and Recycling Taskforce, 29, 68
 - National Water Grid Authority, 3, 67, 70, 71
 - National Water Infrastructure Development Fund, 71
 - National Water Infrastructure Loan Facility, 71
 - Naval Shipbuilding Plan, 37–38, 111, 116, 119
 - North Queensland Livestock Industry Recovery Agency, 30, 74, 75
 - Northern Australia five-year plan, 29, 72–73
 - Northern Australia Strategic Partnership, 72, 73
- O**
- Office for Women, 34, 94, 95, 96, 97–98, 99, 100, 183
 - Office of the National Data Commissioner, 41, 123, 147, 148
 - official visits, 3, 112, 113–114, 133, 136–137, 140–141
 - online safety, 33, 79, 91, 92, 109
 - Order of Australia awards see honours system, Australian
 - organisational structure, 6–7, 10–11
 - Our north, our future: White paper on developing northern Australia* white paper, 73
 - outcome, 14
 - expenses for outcomes, 188–189
 - performance summary, 20–24

P

Parkinson, Dr Martin, 3

Payne, Senator the Hon Marise (Minister for Women), 13

performance

- creating economic growth and jobs (Purpose 1), 26–28, 42–65
- delivering for regional Australia and the environment (Purpose 2), 29–30, 66–77
- environmental (departmental), 181–182
- financial, 182–189
- governing well (Purpose 5), 38–41, 122–149
- overview, 18–24
- PBS outcomes, 20–24
- summary of results by purpose, 25–41
- supporting individuals, families and communities to thrive (Purpose 3), 31–36, 78–107
- upholding national security and strategic interests (Purpose 4), 37–38, 108–121

Performance Management Framework, 179

performance pay, 179

Pharmaceutical Benefits Scheme, 32, 79, 84

Portfolio Budget Statements, 14, 18

- expenses for outcomes, 188–189
- outcomes (performance), 20–21

portfolio entities, 9

Prime Minister, 12

prime ministerial overseas visits, 3, 112, 113–114, 136, 140–141

procurement, 189–193

program, 14

- expenses for outcomes and programs, 188–189

public hospital services see National Health Reform Agreement

Public Service Medal, gender parity and greater diversity, 130

purposes, 5, 14

- performance against see performance

R

Reconciliation Action Plan, 171–172

regional Australia, 29–30, 66–77

Regulation Impact Statements, 64–65

religious belief, freedom of, 33, 89

remuneration, 174–179

resourcing statement, 186–187

risk management, 157

role, 5

Royal Commissions

- Aged Care, 31, 83, 86–87
- Institutional Responses to Child Sexual Abuse, 102
- Misconduct in the Banking, Superannuation and Financial Services Industry, 56, 57–58
- National Natural Disaster Arrangements, 43, 87–88
- Violence, Abuse, Neglect and Exploitation of People with Disability, 31, 83, 86–87

S

salary ranges see remuneration

Secretaries Board, 3, 24, 158, 170

- Chief Operating Officers Committee, 3

Secretaries Committee on National

Security, 109

Secretaries Equality and Diversity Council, 170

Secretary's review, 1–4

senior executive, 8

Senior Executive Service remuneration, 175–178

Services Australia, 44, 75, 128

Sir Roland Wilson Pat Turner Scholarship, 172

skills reform, 27, 52–54

small and medium enterprises, 191

social media, terrorist and violent extremism on, 33, 79, 91, 92

soil health, 30, 76–77

State Funerals, 137

state visits, 133, 136

- by the President of the Republic of Indonesia, 134–135
- by the Prime Minister to the USA, 3, 112, 113–114, 140–141

statutory office holders, 175

suicide prevention, 3, 31, 79, 82

T

Taskforce to Combat Terrorist and Extreme Violent Material Online, 79, 92

terminology (definitions), 261

terrorism countermeasures *see* counter-terrorism

Thodey Review (Independent Review of the APS), 24

U

United States of America, Prime Minister's visit to, 3, 112, 113–114, 140–141

V

visits *see* official visits; state visits

vocational education and training, 27, 43, 52–54

Voluntary Transparency Reporting Protocol, 91–92

W

waste and recycling initiatives, national, 3, 29, 68–69

waste recycling, departmental, 182

water infrastructure projects, 29, 67, 70–71

women

- on Australian government boards, 96, 100–101
- see also* gender equality

Women's Economic Security Statement, 34, 95

work health and safety, 180–181

Workplace Health and Safety Commitment statement, 180

Wyatt, the Hon Ken AM MP (Minister for Indigenous Australians), 13

