



Australian Government
Department of the Prime Minister and Cabinet


Annual Report 2020–21





Department of the Prime Minister and Cabinet

Annual Report 2020–21



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 2021. It has been prepared in accordance with the provisions of section 46 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), the Public Governance, Performance and Accountability Rule 2014 (PGPA Rule) and the Department of Finance Resource Management Guide No 135. 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 2020–21 annual report team comprised Louise Perez, Fiona McQueenie, Anindita Kumar, Vivian Chan, Stuart Walsh, Aidan Thurbon, Laura Frank, Timo Greenwood and Vera Mittag de Roring.

DESIGN AND TYPESETTING

PM&C Digital Communications Team and Giraffe Visual Communication Management.

PHOTOGRAPHS

The Department of the Prime Minister and Cabinet thanks other government agencies that have provided some of the images used in this report.

PAPER

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TRANSLATION

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Australian Government
Department of the Prime Minister and Cabinet

SECRETARY

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 2021.

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 2021.

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 2020–21 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 2020–21.

Yours sincerely

A handwritten signature in black ink, appearing to read 'P Gaetjens'.

Philip Gaetjens
28 September 2021

Cc Senator the Hon Marise Payne, Minister for Women
 The Hon Ken Wyatt MP, Minister for Indigenous Australians
 The Hon Ben Morton MP, Assistant Minister to the Prime Minister and Cabinet
 and Assistant Minister to the Minister for the Public Service
 The Hon David Coleman MP, Assistant Minister to the Prime Minister for Mental
 Health and Suicide Prevention
 Senator the Hon Amanda Stoker, Assistant Minister for Women

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Part 1





Overview 2020–21

Secretary's review

Under a brilliant Canberra sky in May 2021, several hundred staff from the Department of the Prime Minister and Cabinet (PM&C) gathered on the lawns of Australia's Parliament House for a commemorative photograph to celebrate PM&C's 50th anniversary.

The founding purpose of PM&C was to support the Government's use of 'the expert knowledge and experience within individual portfolios'. Standing with my colleagues and friends, I reflected that 2020–21 made an unprecedented call on that collective wisdom. I consider that PM&C has been, at every level, responsive, purposeful and anticipatory in answer to that call.

The Department's 2020–21 operating context was shaped by the ongoing impacts of a global pandemic. Our response was crafted with the clear understanding that our work makes an enormous difference to the lives and wellbeing of all Australians. In a year of heavy workloads, our staff brought their best effort and intellect to dealing with the full range of issues for which PM&C is responsible.

The Government's priorities for 2020–21 were the foundation for our annual program of work. They encompassed suppression of the virus and delivery of the vaccine, an economic recovery with a focus on job creation, and continuing to guarantee the essential services that Australians rely on.



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

Within that program, PM&C delivered its responsibilities in policy and implementation across the range of Government priorities, including deregulation, national security, digital and data policies, women's economic security and social impact investing. We also supported the logistics and administration of Cabinet and its committees, to manage the complexities of COVID-safe working and virtual meetings.

We provided high-quality operational support to facilitate the Prime Minister's relationships and engagement with other leaders, including through virtual summits and official visits.

Australians increasingly expect a high level of interaction on matters that affect them and seek timely responses to their correspondence from the Prime Minister and portfolio ministers. PM&C worked hard throughout the reporting period to support the provision of accurate and unambiguous information to all Australians.

Among the changes and additions to PM&C's structure throughout 2020–21 was the delivery of a Vaccine Strategy Integration team. This was established to assure, underwrite and advise on the many moving parts in the vaccine rollout space. In the context of a deteriorating COVID-19 pandemic situation impacting parts of our region, the team's remit addressed vaccine allocation and supply from Australia to many of our Indo-Pacific neighbours.

The pandemic was a stark example of how our increasingly interconnected world presents challenges and opportunities in shaping an informed and timely national response. The lessons that we learned from the vaccine rollout will contribute to our resilience and recovery in the face of future crises. Vital regional and global engagement also informed PM&C's support for the Government's response to the complex strategic, security and humanitarian context of the Indo-Pacific region. To this end, PM&C enabled and contributed to the Prime Minister's participation in the virtual ASEAN and G20 summits in November 2020 and the inaugural Quad Leaders' Meeting in March 2021.

The pandemic's profound impact on international engagement included restrictions on travel and a rapidly changing domestic environment. PM&C was adaptable and technologically adept in supporting the Government to meet our national obligations on the global stage. The number, diversity and regularity of virtual engagements added enormous value to the brief international visits supported in the period – to Japan, New Zealand, Singapore, the United Kingdom and France.

The Australian Public Service (APS) workforce response to COVID-19, supported by the excellent work of the Chief Operating Officers Committee, was a high point in the government response to the pandemic. Throughout 2020–21 we continued to foster a One APS approach by supporting the Secretaries Board to drive enterprise-wide improvements in the delivery of government priorities, the transformation and uplift of APS digital capability and data, and the evolution of a high-performing and responsive workforce. We focused on providing the delivery of services and support throughout the pandemic and if necessary through different channels e.g. telehealth. We also created productive APS–business partnerships. We established and leveraged productive APS–business partnerships to ensure the Government's COVID-19 response was properly calibrated to both the public and private sectors and was informed by a variety of relevant perspectives. We stayed connected and engaged with our workforce through regular open letters to the APS and newsletters bringing stories of hard work and determination, and we brought together our senior leaders through regular APS200 events.

Inside PM&C, our COVIDSafe Plan for keeping our workplaces healthy, safe and virus-free was developed to ensure we had the most up-to-date safety measures in place. We continued to support the National Cabinet through the 43 meetings it held during 2020–21 as the primary intergovernmental forum for managing a national response to the COVID-19 pandemic. Over the year, its role evolved from one with a health and response management focus to one of driving

Australia's economic recovery and jobs creation. The principles of responsiveness, planning and anticipation also shaped the newly formed National Recovery and Resilience Agency within PM&C's portfolio, which brought together functions of the former National Bushfire Recovery Agency and National Drought and North Queensland Flood Response and Recovery Agency.

The Government's focus on preparedness and recovery continued in May 2021 with the creation of the Office for Supply Chain Resilience within PM&C. The office is responsible for coordinating whole-of-government advice on measures and opportunities for resilience within global supply chains.

The Office of the Climate Coordinator was added to PM&C's portfolio. It coordinates whole-of-government delivery of a strong and well-integrated Australian climate strategy, through a technology-led approach to reducing emissions and meeting our targets.

The 2021–22 May Budget further advanced the Government's focus on building resilience and responsiveness nationally. In May 2021, the Government also released its Digital Economy Strategy, designed to deliver a modern and digital economy to drive Australia's future prosperity. The Government regards the digital economy as important to securing our economic future and recovery from COVID-19.

The Digital Technology Taskforce within PM&C will implement the strategy to support the digital transformation across the economy, through enhanced digital business capability and improving government service delivery.

The Budget gave similar impetus to the Office for Women's ongoing priority to advance gender equality. In the context of the ongoing debate around women's safety and economic security, the Office for Women provided advice, implemented policy and rolled out programs to improve the lives of Australian women.

Results from the Citizen Experience Surveys in 2020–21 showed that increased satisfaction with Australia's public services was maintained from the height reached in June 2020. The data demonstrated that, in the midst of a global crisis, the APS maintained its focus on providing essential services to Australians, securing our national interests, and working to protect and preserve the health of our environment. PM&C and the APS can be rightly proud of this assessment of our progress and achievement throughout 2020–21.

The year ahead

The virus remains with us, but Australia's health and economic scorecards give us reason to be confident. We can look back on 2020–21 as a period that brought out the best in PM&C and right across the APS. The year ahead will provide its own challenges but will also provide the opportunity to capitalise on what has been achieved and draw upon the wisdom and experience acquired throughout 2020–21.

The Department

Our mission

Our mission is to improve the lives of all Australians.

Our purposes

In 2020–21, our work to improve the lives of all Australians was guided by 6 key purposes:

- Growing our economy, incomes and creating jobs
- Vibrant and resilient regions
- Strengthening families and communities
- Enhancing Australia's international and national security
- Governing well
- Preparing well to respond to critical issues.

Our role

The Department of the Prime Minister and Cabinet (PM&C) performs a unique role within the Australian Public Service (APS). Our primary role is to serve the Prime Minister, support the Cabinet and work with colleagues across the APS enterprise to deliver the Government's priorities that help improve the lives of all Australians. We take a whole-of-government and whole-of-nation perspective to tackle problems, identify opportunities and respond quickly when decisive action is necessary. This requires a thorough understanding of the Prime Minister's and the Government's priorities, working closely with our APS colleagues and helping them to succeed (when they succeed, we succeed), engaging with a diverse range of stakeholders, listening to the Australian community and balancing what matters now with what will be important in the future.

To this end, we:

- provide informed and impactful advice to the Prime Minister, the Cabinet, Portfolio Ministers and Assistant Ministers to assist in the design, development and delivery of Government policies, strategies and services
- enable a well-functioning Cabinet and good governance by providing effective support processes that also help agencies achieve quality outcomes
- coordinate and shape policy across government and the APS enterprise with a focus on adding coherency and value consistent with our mission, ensuring consistency with the Prime Minister's direction and Cabinet decisions, and ensuring effective implementation. We work with the APS enterprise to ensure Government policies are implemented on time and to the highest standard
- support the Prime Minister's engagement with international leaders and other nations, helping to advance Australia's interests and keep our country safe
- focus on engaging, communicating and collaborating – a core part of our business. Our advice and services are more robust and effective when we seek the views and opinions of a diverse range of stakeholders across government, private, public, not-for-profit and community sectors
- support the Secretary as the head of the APS enterprise in advancing a high-performing public sector through an agenda that also contains reform and capability building
- are ready to respond 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 4 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, Cabinet and Portfolio Ministers on social, economic, and environmental issues that affect the lives of all Australians. It comprises the Social Policy Group and Economy, Industry and G20 Sherpa Group.

The Domestic Policy Group supports key government priorities in the areas of the safety of women and children and women's economic security, and supply chain resilience. Also, in collaboration with the Vaccine Strategy Integration Group, it leads PM&C's COVID-19 response work, coordinating across government in support of National Cabinet.

The group also develops and coordinates whole-of-government public data policy, regulatory reform and digital technology policy and it supports the Prime Minister in prosecuting Australia's interests in the G20 and as a G7 outreach partner.

The Domestic Policy Group also includes the Vaccine Strategy Integration Group and the Office of the Climate Coordinator.

The Vaccine Strategy Integration Group was established in January 2021 to ensure a cohesive and collaborative approach to the vaccine rollout, ensuring all aspects are aligned between the Commonwealth and states and territories, including integration of non-health components. The group works closely with partner agencies that lead different aspects of the rollout, providing a central and coordinated approach. It works with the COVID-19 Risk Recovery and Analysis Task Force to ensure that all broader aspects are considered to progress towards Australia's recovery.

The Office of the Climate Coordinator was established in March 2021 to lead the development and prosecution of a strong Australian climate advocacy strategy in the lead-up to the 26th UN Climate Change Conference of the Parties (COP26). The office has supported the Prime Minister's engagement in key international meetings and participated in high-level international engagement with key counterparts to highlight Australia's success in meeting our targets and driving a technology-first approach to lowering emissions.

National Security and International Policy Group

The National Security and International Policy Group provides advice on Australia's foreign policy and national security interests. The group's 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 2020–21 in response to natural disasters and the COVID-19 pandemic.

Governance Group

The Governance Group supports the ongoing business of Government by providing support services to the Prime Minister, the Cabinet, Cabinet committees, Portfolio Ministers and the Governor-General.

The group provides advice on parliamentary processes, the administration of the executive branch of government, and Australia's national honours and symbols. It also provides support to the Prime Minister on all matters of legal policy. Through the Cabinet Division, the group supports the Prime Minister, the Cabinet Secretary and the chairs of Cabinet committees to ensure that Cabinet business is conducted in an effective and timely way. Cabinet Division also coordinates and supports meetings of the Federal Executive Council and, through the Priorities and Delivery Unit, supports the Prime Minister and the Cabinet Secretary, Cabinet and PM&C in monitoring the implementation of government initiatives and strategically considering the Government's future priorities.

The Governance Group also includes the APS Reform Office. The office oversees the implementation of the Government's APS reform program, which is focused on effective delivery of government priorities, APS digital transformation, workforce capability, better services for Australians and effective APS engagement with businesses.

Chief Operating Officer Group

The Chief Operating Officer Group delivers internal corporate and enabling services provided through the Corporate Division and the Ministerial Support Divisions.

The group provides a broad range of services to the Department, including people; information and communications technology; finance; facilities; and shared services to portfolio agencies. It also leads the security and risk agenda to create a positive risk culture.

The group is responsible for the design, implementation and management of business operations and governance processes to support PM&C to deliver on the Prime Minister's priorities and ensure that strategy is translated into actionable and practical organisation-wide goals.

It is responsible for communications, ministerial correspondence and support services, along with providing logistical support for the Prime Minister's program of international engagements and hosting visiting Heads of Government.

It also promotes the leadership and partnership role of the Department across government via the APS Chief Operating Officers Committee.

Our executive

As at 30 June 2021, PM&C's Senior Executive was as follows:

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

The portfolio

As at 30 June 2021, 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

NON-CORPORATE COMMONWEALTH ENTITIES UNDER THE PGPA ACT

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

CORPORATE COMMONWEALTH ENTITIES UNDER THE PGPA ACT

Australian Institute of Aboriginal and Torres Strait Islander Studies
 Indigenous Business Australia
 Indigenous Land and Sea Corporation
 Northern Territory Land Councils

- 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 UNDER THE PGPA ACT

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

STATUTORY BODIES

Defence Force Remuneration Tribunal
 Remuneration Tribunal

OFFICE HOLDERS

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

Our organisational structure as at 30 June 2021:



Australian Government
Department of the Prime Minister and Cabinet

Secretary . **Mr Philip Gaetjens**

Deputy Secretary VACCINE STRATEGY INTEGRATION Mr Paul Grigson	Climate Coordinator OFFICE OF THE CLIMATE COORDINATOR Mr James Larsen	Deputy Secretary ECONOMY, INDUSTRY AND G20 SHERPA Mr Simon Duggan	Deputy Secretary SOCIAL POLICY Ms Alison Frame
	OFFICE OF THE CLIMATE COORDINATOR Gala Puleston	INDUSTRY, INFRASTRUCTURE AND ENVIRONMENT FAS James Chisholm	ECONOMIC FAS Natalie Horvat
		INFRASTRUCTURE, TRANSPORT, AGRICULTURE AND REGIONAL AS: DAVID PULLEN	OFFICE OF BEST PRACTICE REGULATION (OBPR) AS: JASON LANGE
		INDUSTRY, INNOVATION, SCIENCE AND COMMUNICATIONS AS: MATTHEW ROPER	TAXATION, FINANCIAL SECTOR AND EMPLOYMENT AS: JAMES O'TOOLE
		ENERGY AND CLIMATE CHANGE AS: ROLAND TREASE	FISCAL POLICY AS: GABRIELA SERMENO*
		ENVIRONMENT, RESILIENCE AND RESOURCES ANTHEA FELL*	ECONOMIC POLICY AS: SHELBY SCHOFIELD*
		DIGITAL TECHNOLOGIES TASKFORCE FAS Michelle Dowdell	G20 SOUS SHERPA AS: JACLIN CRAIG
		AS: LYNDA GROOM*	REGULATORY POLICY AS: SANDRA ROUSSEL
		OFFICE OF SUPPLY CHAIN RESILIENCE FAS Kristin Tilley	DEREGULATION TASKFORCE FAS Jason McDonald
			AS: ANNA HEANEY AS: PAUL HUBBARD AS: JENNIFER RANSON*
			OFFICE FOR WOMEN FAS Catherine Hawkins
			WOMEN'S ECONOMIC SECURITY, PROGRAM AND LEADERSHIP AS: CLAIRE BARBATO*
			WOMEN'S SAFETY AND INTERNATIONAL ENGAGEMENT AS: ELIZABETH BRAYSHAW
			INTERGOVERNMENTAL RELATIONS AND REFORM FAS Lee Steel
			COMMONWEALTH STATE RELATIONS AS: SANDRA CUTHBERT
			NATIONAL OFFICE FOR CHILD SAFETY AS: REBEKAH KILPATRICK
			AGED CARE AS: RUSSELL DE BURGH
			COVID-19 RESPONSE Head of taskforce Nicole Spencer*
			AS: MATTHEW FLINT*
			COVID-19 ECONOMIC RECOVERY AS: HARRY GREENWELL*

As at 30 June 2021

* Denotes acting arrangement

Chief of Staff . Debbie Arnold Executive Adviser . Ryan Hawkins Executive Assistant . Bev Sims PSM			
Deputy Secretary SOCIAL POLICY Ms Alison Frame	Deputy Secretary NATIONAL SECURITY AND INTERNATIONAL POLICY Ms Caroline Millar	Deputy Secretary GOVERNANCE & APS REFORM Ms Stephanie Foster PSM	Chief Operating Officer Mr Tom Gilmartin
SOCIAL POLICY FAS Genevieve Quilty	INTERNATIONAL FAS Rod Brazier	GOVERNMENT FAS John Reid	CORPORATE CFO / CSO Nathan Heeney*
EDUCATION AND IMMIGRATION AS: MEGAN LEAHY, SUSAN FITZGERALD	GLOBAL INTERESTS AS: DARREN GOLDIE	LEGAL POLICY AS: MAIA ABLETT*	SHARED SERVICES AS: GEORGE STEVENS*
SOCIAL SERVICES, INDIGENOUS, VETERAN AFFAIRS AND DISABILITY AS: VICTORIA PULLEN	ASIA AS: ELIZABETH MCGREGOR	PARLIAMENTARY AND GOVERNMENT AS: PETER RUSH	FINANCE, PROPERTY AND SECURITY AS: MICHELLE CROWTHER
HEALTH AS: RUSSELL DE BURGH	PACIFIC AS: MAX WILLIS	PLO – SENATE RACHAEL CLARKE*	PEOPLE CPO: MICHELLE WICKS
COVID-19 HEALTH PRIORITIES AS: JOHN NEIL	NATIONAL SECURITY FAS Lachlan Colquhoun	PLO – HOUSE OF REPRESENTATIVES CHARLIE HIGGINS*	INFORMATION SERVICES CIO: SAMANTHA PORTELLI
MENTAL HEALTH AND SUICIDE PREVENTION AND REFORM AS: KIMBERLEY MCDONALD	DEFENCE AND INTELLIGENCE AS: MATHEW FOX	CABINET FAS Leonie McGregor	MINISTERIAL SUPPORT FAS Gerard Martin
POLICY INNOVATION & PROJECTS FAS Andrew Lalar*	HOME AFFAIRS AS: MICHAEL BURKE	CABINET SECRETARIAT AS: PAUL HUPALO	MINISTERIAL AND PARLIAMENTARY SUPPORT AS: JARROD MCALISTER*
POLICY, PROJECTS AND TASKFORCE AS: CAIN BECKETT	CRITICAL TECHNOLOGIES POLICY COORDINATION OFFICE Coordinator Carolyn Patteson	NATIONAL SECURITY AND CABINET SYSTEMS AS: HUGH CAMERON	PROTOCOL AND INTERNATIONAL VISITS AS: ALISON GREEN
DATA AND DIGITAL AS: HUGO COOK*	DEPUTY COORDINATOR LOUISE TALBOT	NATIONAL CABINET AS: ANGIE MCKENZIE*	COMMUNICATIONS AS: DANA ROBERTSON
BEHAVIOURAL ECONOMICS TEAM OF AUSTRALIA (BETA) MANAGING DIRECTOR: SIMON GORDON	DISASTER PREPAREDNESS, PLANS AND INCIDENT MANAGEMENT	PRIORITIES DELIVERY UNIT AS: ALISTAIR CAMPBELL	GOVERNANCE AND STRATEGY AS: LOUISE PEREZ*
OFFICE OF THE NATIONAL DATA COMMISSIONER Interim National Data Commissioner Deborah Anton	AS: TREVOR JONES	APS REFORM FAS Will Story*	
AS: PAUL MENZIES-MCVEY		APS REVIEW AS: ANITA PERKINS	

Our Ministers

The Ministers and Assistant Ministers for PM&C as at 30 June 2021.





Senator the Hon Marise Payne
Minister for Women



The Hon Ken Wyatt AM MP
Minister for Indigenous Australians



The Hon David Coleman MP
Assistant Minister to the Prime Minister for
Mental Health and Suicide Prevention



Senator the Hon Amanda Stoker
Assistant Minister for Women



The Hon Ben Morton MP
Assistant Minister to the Prime Minister and Cabinet
Assistant Minister to the Minister for the Public Service

Budget outcomes and program structure

In achieving PM&C's purposes for 2020–21, we worked to deliver against the key priorities outlined in the Portfolio Budget Statements 2020–21 (PBS) and Portfolio Additional Estimates Statements 2020–21. Our Corporate Plan 2020–24 articulated how these key priorities would be achieved and how achievement and success would be measured.

Table 1.1: Purposes, outcome and program

Purpose 1	Outcome 1	Program 1.1
Growing our economy, incomes and creating jobs	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.	Prime Minister and Cabinet
Purpose 2 Vibrant and resilient regions		
Purpose 3 Strengthening families and communities		
Purpose 4 Enhancing Australia's international and national security		
Purpose 5 Governing well		
Purpose 6 Preparing well to respond to critical issues		



Part 2



Australian Government

Department of the
Prime Minister and Cabinet





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 2020–21 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.

A handwritten signature in black ink, appearing to read 'P Gaetjens'.

Philip Gaetjens

Secretary

28 September 2021

Performance overview

Introduction

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.

The PM&C Annual Performance Statement assessed PM&C's actual performance against the purposes, key activities, performance measures and targets in its Corporate Plan 2020–24; and the Portfolio Budget Statements (PBS) outcome for the 2020–21 financial year. Reported results are supported by evidence and grouped under the following 6 departmental purposes:

- Purpose 1 – Growing our economy, incomes and creating jobs
- Purpose 2 – Vibrant and resilient regions
- Purpose 3 – Strengthening families and communities
- Purpose 4 – Enhancing Australia's international and national security
- Purpose 5 – Governing well
- Purpose 6 – Preparing well to respond to critical issues

The Department's PBS outcome directly aligns to the 6 purposes in the Corporate Plan 2020–24. Reporting against the purposes and performance measures in the Corporate Plan 2020–24 was used to assess achievement against the PBS performance criteria for the 2020–21 financial year.

Assessing our performance and reporting methodology

Preparations for this year's reporting cycle commenced with the publication of PM&C's Corporate Plan 2020–24 in August last year. Key activities, performance measures and targets under the Corporate Plan were mapped and assigned to the responsible First Assistant Secretary for monitoring and reporting purposes.

To assess the Department's overall performance against the Corporate Plan, a range of performance measurement methodologies were identified at the beginning of the performance cycle. In line with Department of Finance Resource Management Guide No 131, appropriate performance methodologies were selected to help track, monitor and report performance against each individual key activity. Where a performance measure was supported by a target (or targets), reporting against the target(s) was used to demonstrate performance against the measure and key activity.

This year the Department used a range of quantitative and qualitative mechanisms to measure our performance. This included an independent stakeholder survey and other stakeholder feedback mechanisms, data sources and statistics, project milestones and evidence-backed case studies.

Where case studies were used, the scope of the case study was predetermined and the performance measurement methodologies were identified in advance, in line with the Department of Finance Resource Management Guide No 131. All case studies are backed by supporting evidence and are used to help illustrate the Department's performance story.

Independent stakeholder survey

PM&C engaged Orima Research to conduct an independent survey of key stakeholders to assess the Department's performance against a number of key activities and to inform the PBS analysis.

The annual survey is an important feedback mechanism for the Department and results are analysed and used to improve our services and engagement with our stakeholders. This year 97 out of a sample size of 278 key stakeholders provided feedback on the Department's performance through a quantitative online survey, representing a 35% response rate. An additional 27 qualitative individual interviews were also conducted.

SURVEY RESULTS

Survey results are included in the analysis of relevant key activities. Overall survey results also show that, on average:

- Ministerial stakeholders reported the most favourable ratings of all stakeholders.
- Ministerial stakeholders were satisfied overall with the quality and timeliness of advice and support received from PM&C over the past 12 months.
- Across all purposes, level ratings were favourable. Purpose 1 (Growing our economy, incomes and creating jobs), Purpose 5 (Governing well) and Purpose 6 (Preparing well to respond to critical issues) achieved the highest ratings by a stakeholder group; while Purpose 2 (Vibrant and resilient regions) stakeholders provided generally favourable ratings along with feedback on where the Department could improve its engagement with stakeholders.

The independent survey highlighted a number of areas where the Department had performed well and where there were opportunities for further improvement. The Department thanks stakeholders for their feedback and will incorporate it into the Department's performance management program.

Assessing performance results against key activities

Over the reporting period, business areas were responsible for tracking, monitoring and reporting their performance against their relevant key activities. They were required to use the predetermined performance methodology, gather evidence, assess their performance using the results criteria table below and then assign a results rating for each key activity. Where a performance measure was supported by a target (or targets), reporting against the target(s) was used to demonstrate performance against the measure and the key activity. Evidence and analysis was provided to support claims of achievement against each key activity.

This year, PM&C also introduced a performance moderation panel to review all reported results in the Annual Performance Statement. The panel assessed reported results to ensure the results criteria had been applied consistently across the statement and all claims of achievement were supported by appropriate evidence and analysis. The panel membership consisted of the Chief Operating Officer and 3 First Assistant Secretaries and was convened by the Assistant Secretary Governance and Strategy Branch, who is also the Department's Head of Internal Audit.

Table 2.1: Results definitions

Achieved	In the 2020–21 reporting period, the Department delivered against the performance measure and/or target.
On track	The performance measure and/or target is on track to be met over the forward estimates.
Partially achieved	In the 2020–21 reporting period, the Department partially achieved against the performance measure and/or target.
Not achieved	In the 2020–21 reporting period, the performance measure and/or target was not met.

Operating environment

During 2020–21, PM&C supported the Prime Minister, the Cabinet, and Portfolio Ministers on a range of Government priorities in a rapidly changing global and domestic operating environment. To enhance Commonwealth–state decision making and policy deliberation in this context, PM&C strengthened and matured processes to support the National Cabinet and its subcommittees.

In the global context, PM&C navigated the continued shift in strategic, security and geopolitical priorities as regions and countries responded to the COVID-19 pandemic. We supported the Prime Minister to advance Australia’s national interests by strengthening relationships with our partners in the Indo-Pacific region through a series of high-level meetings and summits – for example, the Quad Leaders’ Meeting, the G20 Summit, the Pacific Islands Forum and the Association of Southeast Asian Nations (ASEAN) – Australia Summit.

As the virus continues to have ongoing health, economic and social impacts, domestically and internationally, the Department has continued to focus on supporting individuals and businesses through the impacts of the virus and towards economic recovery. PM&C continued our coordination and convening role on matters such as welfare support payments, vaccine rollout and strategic investments to ensure adequate support was provided to Australian businesses and communities. Through the Office for Women (OFW), we redoubled our efforts to improve practical outcomes for women in Australia, including through supporting the new Cabinet Taskforce on Women’s Safety and Economic Security. Together with the Department of the Treasury and others, we developed the 2021–22 Women’s Budget Statement. Our efforts will continue beyond 2021 to ensure key initiatives are implemented to enhance safety, improve career pathways and boost the economic security of women in Australia.

After experiencing the devastating natural disaster events of recent years – bushfires, droughts and floods across Australia – we refocused our efforts on disaster preparedness, recovery and resilience, and improved coordination of emergency management in times of crisis.

The advent of new ways of flexible working and our readiness to manage emergencies during the COVID-19 pandemic instilled further connectedness among our staff and the broader Australian Public Service (APS) enterprise. We continued to leverage our public sector leadership role to drive a One APS approach to reduce silos across the APS enterprise and better support our Ministers to deliver for the community. We pursued our objective to enhance data sharing

for enhanced policy making and access to the digital economy while protecting privacy to ensure citizens' trust in the data and digital space.

To deliver well-considered advice on cross-cutting policy areas, we engaged with a wide range of stakeholders across agencies, jurisdictions and sectors.

The following section provides an overall analysis of our performance under each Corporate Plan purpose.

Analysis of the Department's performance against the Corporate Plan 2020–24

Overall, PM&C performed well against our purposes, key activities and performance measures set out in the Corporate Plan 2020–24. Of the 47 performance measures listed for the PM&C Corporate Plan 2020–24, PM&C achieved 29 measures, partially achieved 2 and are on track to deliver 16 over the life of the Corporate Plan.

Table 2.2: Results summary

Result	Purpose 1	Purpose 2	Purpose 3	Purpose 4	Purpose 5	Purpose 6	Total
Achieved	8	4	1	4	11	1	29
On track	1	-	9	-	2	4	16
Partially achieved	-	-	-	-	1	1	2
Not achieved	-	-	-	-	-	-	0

PURPOSE 1: GROWING OUR ECONOMY, INCOMES AND CREATING JOBS

PM&C achieved 8 of the 9 performance measures under this purpose by supporting the Prime Minister, the Cabinet and key stakeholders to make significant decisions across a range of economic outcomes. One performance measure is on track to be delivered over the forward estimates. We supported Australia's strategy for economic recovery from the COVID-19 pandemic by providing advice to support Budget decisions on the JobMaker Plan, the Deregulation Agenda, the Digital Economy Strategy, and by supporting investments in the infrastructure and manufacturing sectors. PM&C focused on delivering economic outcomes for Australian women through initiatives and projects led by the OFW, including as part of the 2020 Women's Economic Security Statement and the 2021–22 Women's Budget Statement.

We also supported the Prime Minister internationally to advance Australia's strategic priorities and economic interests in partnership with our regional partners. We worked closely with a range of stakeholders across government to provide high-quality advice that supported the Prime Minister's participation in international forums, including the G20 Summit, the G7 Summit, the ASEAN–Australia Summit, the East Asia Summit, the Regional Comprehensive Economic Partnership (RCEP) Summit and the Pacific Islands Forum.

See pages 42–61 for full analysis.

PURPOSE 2: BUILDING VIBRANT AND RESILIENT REGIONS

PM&C achieved all performance measures listed under this purpose. We consulted with stakeholders, subject-matter experts and communities to support the delivery of funding initiatives for regional Australia. We delivered advice on place-based measures to support our regions – importantly, Northern Australia – and to support communities that have been disproportionately affected by the COVID-19 pandemic. We supported the establishment of the National Recovery and Resilience Agency to be the lead agency to support regional communities affected by natural disasters and reduce future risks of disaster events. We worked closely with the National Soils Advocate on a range of activities to further strengthen policy makers' understanding of soil sustainability and health. We also collaborated with the National Waste Taskforce in the Department of Agriculture, Water and the Environment (DAWE) to continue Australia's commitment to reduce waste and increase domestic recycling.

See pages 62–69 for full analysis.

PURPOSE 3: STRENGTHENING FAMILIES AND COMMUNITIES

PM&C achieved one performance measure and is on track to deliver 9 of the performance measures listed under Purpose 3. We collaborated with line agencies to provide high-quality and timely advice focused on assisting vulnerable Australians and improving the wellbeing of communities. We leveraged our leadership role to work with Commonwealth agencies and across jurisdictions to respond to the ongoing COVID-19 pandemic and to minimise the health impact on the community, including coordinating COVID-19 support payments to support vulnerable Australians. To lay the groundwork for post-pandemic recovery, we collaborated with Commonwealth agencies and states and territories to support the delivery of the JobTrainer Fund and the National Skills Agreement, to ensure our communities are equipped to respond to demands in the future job market.

PM&C supported the Prime Minister's Suicide Prevention Adviser and the Department of Health to deliver the National Mental Health and Suicide Prevention Plan. We worked closely with the National Indigenous Australians Agency (NIAA) on implementation of the National Agreement on Closing the Gap to enable Aboriginal and Torres Strait Islander people and governments to improve life outcomes and overcome structural inequality. By collaborating closely with the NIAA, we developed options and consultation processes for a voice for Aboriginal and Torres Strait Islander people to be recognised in the Australian Constitution.

The OFW continued to support the Minister for Women in implementing the Fourth Action Plan of the National Plan to Reduce Violence against Women and their Children 2010–2022, helping drive progress to increase the number of women in leadership positions; and leading Australia's engagement in international forums to promote gender equality. The National Office for Child Safety continued to develop Australia's first National Strategy to Prevent and Respond to Child Sexual Abuse, promote the National Principles for Child Safe Organisations, and support Commonwealth agencies to implement the Commonwealth Child Safe Framework. PM&C supported the delivery of the Social Impact Investing Expert Panel's final report to Government, with close engagement and extensive consultation to ensure project delivery despite delays caused by the COVID-19 pandemic.

See pages 70–87 for full analysis.

PURPOSE 4: ENHANCE AUSTRALIA'S INTERNATIONAL AND NATIONAL SECURITY

Under this purpose PM&C achieved all performance measures in a complex and rapidly shifting geopolitical environment. We supported the Prime Minister's international engagement to promote Australia's social, economic and security interests globally and in our region. While travel restrictions paused international travel, PM&C provided enabling services and high-quality briefings for the Prime Minister to maintain engagement with foreign counterparts virtually – in all a total of 140 virtual international engagements were held during 2020–21. We worked closely with our key stakeholders, including state and territory governments, the Department of Foreign Affairs and Trade, the Department of Home Affairs, the Department of Defence and National Cabinet, to ensure a whole-of-nation approach to national security issues. We provided high-quality briefing support to the Secretaries Committee on National Security and the National Security Committee of Cabinet, and supported the Department of Defence's delivery of the Integrated Investment Program and naval shipbuilding enterprise.

See pages 88–95 for full analysis.

PURPOSE 5: GOVERNING WELL

PM&C achieved 11 of the 14 performance measures under this purpose, with one partially achieved and 2 on track to be delivered over the forward estimates. We provided support to the Prime Minister, the Cabinet and the APS enterprise by scrutinising new policy proposals to comply with existing legislation and identify areas of significant risk. We ensured that the right protocols and operating procedures were put in place to support the smooth working of National Cabinet and the National Federation Reform Council. In October 2020 the Policy Implementation Committee was established; since then PM&C has provided timely and regular reports on the status of the implementation of Government priorities.

Against the continued backdrop of the COVID-19 pandemic, we adapted and stepped up to successfully plan and manage international visits, state funerals and Australia's first virtual swearing-in ceremony following changes in the ministry. In conjunction with the Secretaries Board, we continued to progress reforms designed to improve the APS enterprise and ensure it is fit for purpose to meet a rapidly changing world.

Following the successful launch of the CabNet+ system in December 2019, the Department has continued to successfully roll out this application across the APS enterprise. Detailed feedback has been sought and implemented to further enhance useability and functionality to facilitate secure and timely distribution of Cabinet documents.

We have been at the forefront of developing the Data Availability and Transparency Bill 2020, which is now before Parliament for consideration. Once this Bill is passed, government agencies will have a safe, accountable and transparent framework for sharing public sector data. PM&C has also worked across Commonwealth, state and territory agencies to identify opportunities where the sharing of data can better inform policy development and lead to better outcomes for the public.

See pages 96–120 for full analysis.

PURPOSE 6: PREPARING WELL TO RESPOND TO CRITICAL ISSUES

PM&C achieved one of the 6 performance measures under this purpose, with one partially achieved and 4 on track to be delivered over the forward estimates. In developing the Corporate Plan 2020–24, we added Purpose 6 to highlight PM&C's convening role in supporting the Government and the Australian community during emergency and crisis events. During 2020–21, we directed resources into developing the capability of establishing new taskforces quickly in response to emerging issues. This preparatory work ensures taskforces comply with governance principles, are fit for purpose and are connected with the right enabling services.

PM&C actively worked on recommendations from the Commonwealth Scientific and Industrial Research Organisation (CSIRO) Climate and Disaster Resilience Report and the Royal Commission into National Natural Disaster Arrangements, by providing advice and working collaboratively with other departments and across jurisdictions. For instance, we provided advice to the Prime Minister and the Cabinet on the establishment of the new National Recovery and Resilience Agency; this initiative addresses one of the recommendations of both the Royal Commission and the CSIRO report.

See pages 122–130 for full analysis.

Royal Commission into National Natural Disaster Arrangements – Commonwealth response

CASE STUDY

In late 2019, based on the fire events in October 2019, the Australian Government began examining initiatives to enhance Commonwealth governance and service delivery arrangements during natural crises. On 20 February 2020, after the devastating 2019–2020 bushfires, a Royal Commission into National Natural Disasters was established to inquire into and report on natural disaster management coordination.

The Royal Commission was tasked with delivering its final report by 31 August 2020, later amended to 28 October 2020. This was an ambitious schedule in the midst of the COVID-19 pandemic, given the requirements to

call for submissions, consult widely, analyse witness testimonies and make recommendations on how national coordination, capability and resilience arrangements could be improved.

PM&C's objective was to prepare whole-of-government submissions to the Royal Commission, prepare key Commonwealth witnesses and consolidate the Government's response to the recommendations in the report before the end of 2020.

The Commonwealth's commitment to improving national governance and supporting the Australian public during natural disasters of national scale was on full display through the dedicated and focused efforts of the Government and bureaucracy in engaging with the Royal Commission's work. The Commonwealth was at the forefront among Australian governments in its engagement with the Royal Commission, taking every opportunity to appear as a witness before it and to respond to and seek to implement the recommendations of relevance to the Commonwealth.

The Commonwealth published its responses to the Royal Commission's 80 recommendations on 13 November 2020 and has focused attention on delivering against the highest priority recommendations as agreed by the National Federation Reform Council on 11 December 2020.

The Commonwealth governance arrangements are also being reformed to address some of the Royal Commission recommendations, including:

- the creation of a permanent recovery, relief and resilience agency, planned to commence operation from 1 July 2021
- the enhancement of Emergency Management Australia through delivery of new common operating picture capabilities and streamlined governance frameworks for state and territory engagement
- the creation of a new science-based data analysis centre
- the introduction of the *National Emergency Declaration Act 2020*.

At the start of the 2021–2022 high-risk weather season, the Commonwealth will be better positioned to support delivery of relief and recovery capabilities to Australians involved in nationally significant natural disasters that exceed the resources of state and territory jurisdictions affected by them. These new Commonwealth arrangements will appear in version 3 of the Australian Government Crisis Management Framework, scheduled for release in July 2021.

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 lists one outcome for the Department:

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.

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 the National Federation Reform Council 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
2020–21	<ol style="list-style-type: none"> 1. Quality and timely policy advice, support and services to the Prime Minister, Portfolio Ministers, the Cabinet and key stakeholders. 2. Effective public sector leadership, coordination and monitoring of responses to Government decisions, policies and strategic priorities. 	<p>Majority of stakeholder feedback indicates satisfaction with the quality and timeliness of advice and support received.</p> <p>Case studies, surveys, stakeholder feedback and data analysis demonstrate performance criteria have been achieved.</p>
Purposes	<ol style="list-style-type: none"> 1. Growing jobs, incomes and the economy 2. Resilient regions and caring for Country 3. Strengthening families and communities 4. Enhancing Australia's international and national security 5. Governing well 6. Proactive response to critical issues and disaster management and recovery 	
Result	Achieved	

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.

Analysis

Criterion 1

During 2020–21, PM&C provided timely advice, support and services to our key stakeholders. We leveraged our public sector leadership role to build a responsive and proactive APS enterprise that closely supports the Government's decision-making process in an evolving operating environment.

We provided high-quality support and briefings to the Prime Minister, the National Cabinet and Portfolio Ministers. We effectively collaborated with our stakeholders to support the Government in addressing wide-ranging and significant issues, including economic recovery, international engagements, gender equality, and improving the wellbeing of Australians.

Ministerial stakeholders provided highly positive feedback on the quality and timeliness of advice we provided.

Of the 16 performance measures that relate to this criterion, PM&C achieved 13, is on track to deliver 2 over the forward estimates, and partially met one. These performance measures are listed under the following headings:

Key activities achieved:

1.1, 1.2, 1.4, 1.5, 1.6, 1.8, 4.1, 5.1, 5.3, 5.4, 5.7, 5.10.1 and 5.10.2

Key activities on track:

3.7 and 5.2

Key activities partially achieved:

5.5

Criterion 2

Throughout 2020–21, PM&C performed well against this performance criterion, with the majority of performance measures either achieved or on track to be delivered over the forward estimates. To deliver against this criterion PM&C consulted widely with stakeholders, including government, the APS enterprise, the private sector and the Australian community. This included seeking the views of a diverse range of stakeholders to inform well-considered policy advice.

External stakeholders surveyed by Orima Research were satisfied overall with PM&C's consultations, collaboration and delivery of timely and high-quality advice and enabling services. Ministerial stakeholders provided highly positive feedback on the quality and timeliness of advice we provided.

In October 2020, PM&C undertook a new responsibility – to support the newly established Policy Implementation Committee (PIC) of National Cabinet. We worked closely with line agencies to assess policy risks and issues to enable the PIC to review and address them.

Of the 30 performance measures that relate to this criterion, PM&C achieved 15, is on track to deliver 14 over the forward estimates, and partially met one. These performance measures are listed under the following headings:

Key activities achieved:

1.3, 1.7, 2.1, 2.2, 2.3, 2.4, 3.8, 4.2, 4.3, 4.4, 5.8, 5.9, 5.11, 5.12 and 6.2

Key activities on track:

1.9, 3.1, 3.2, 3.3, 3.4, 3.5.1, 3.5.2, 3.5.3, 3.6, 5.6, 6.1, 6.3, 6.5 and 6.6

Key activities partially achieved:

6.4

Summary of results by purpose

Summary of results tables

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

Table 2.3: Summary of PM&C's end-of-year results against the performance criteria for 2020–21

Purpose 1: Growing our economy, incomes and creating jobs			
No	Key activity	Measure	Results
1.1	Advise the Prime Minister on the prioritisation and design of policies to support job creation as part of the Government's JobMaker Plan.	Ensure 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
1.2	Design, coordinate and drive initiatives that will see Australia achieve the Government's goal of being a digital economy and society by 2030.	Ensure the Prime Minister, the Cabinet, responsible ministers and agencies receive high-quality and coordinated advice including a strategy to be a leading digital economy to inform policy development and support the implementation of the Government's key priorities and activities.	Achieved
1.3	Drive the Government's refreshed whole-of-government deregulation agenda to support business investment and job creation, by working across the APS to ensure regulation is fit-for-purpose and regulator performance is best practice.	In partnership with state and territory governments and industry, identify solutions to reduce regulatory barriers to business investment and jobs growth in priority areas.	Achieved

Purpose 1: Growing our economy, incomes and creating jobs

No	Key activity	Measure	Results
1.4	Deliver the refreshed Women's Economic Security Statement to increase women's workforce participation and women's leadership opportunities, and deliver grants and programs to promote women's economic security and leadership.	Ensure the Prime Minister, the Cabinet, responsible ministers and agencies received high-quality and coordinated advice to inform policy development and support the implementation of the Government's key priorities and activities.	Achieved
1.5	Support the Prime Minister at the G20 and other international forums to drive international cooperation and advance Australia's national interests.	Ensure the Prime Minister, the Cabinet, responsible ministers and agencies received high-quality and coordinated advice to inform policy development and support the implementation of the Government's key priorities and activities.	Achieved
1.6	Work across government to support delivery of the Government's \$100 billion, 10-year transport infrastructure pipeline and ensure delivery of priority projects such as the Western Sydney Airport, Inland Rail, Snowy Hydro 2.0 and telecommunication infrastructure.	Ensure the Prime Minister and the Cabinet receive timely advice on the progress of, and risks to, infrastructure investment.	Achieved
1.7	Ensure recovery of the freight sector by working across governments to coordinate effective and timely measures in air, road, rail and maritime transport.	Ensure advice on the freight sector is coordinated, timely and grounded by partnerships with industry and governments.	Achieved
1.8	Provide targeted and timely advice to the Prime Minister and the Cabinet on options to enable affordable and reliable energy markets, while meeting Australia's international emissions reduction commitments.	The Government is supported by comprehensive and evidence-based policy advice that ensures reliable and affordable energy while meeting our international commitments.	Achieved
1.9	Work across government to deliver a coordinated plan to build scale and competitiveness in the Australian manufacturing sector.	The Government is supported to develop and deliver a new plan for the manufacturing sector.	On track

Purpose 2: Vibrant and resilient regions

No	Key activity	Measure	Results
2.1	Ensure initiatives are coordinated across governments to boost resilience and support economic growth in regional Australia.	Policies and programs affecting regional Australia are data-driven, place-based and targeted to the needs of regional Australia.	Achieved
2.2	Increase awareness of, and advocate for the importance of conserving and improving Australia's soil and landscape conditions.	Support the National Soils Advocate to influence government policies to improve the health of Australian soils.	Achieved
2.3	Support the National Waste Taskforce to implement the waste export ban and drive better waste and recycling outcomes.	Legislation is introduced into Parliament to give effect to the waste export ban timeline.	Achieved
2.4	Ensure policies and programs support farmers and regional communities to build resilience and better prepare for future drought and natural disasters.	Advice to Government is evidence based, reflects short term needs, wider community impacts and long term resilience.	Achieved

Purpose 3: Strengthening families and communities

No	Key activity	Measure	Results
3.1	Coordinate the Australian health response to the COVID-19 pandemic.	All Australian Government agencies' actions are coordinated and well delivered to ensure the health effects of COVID-19 in the Australian community are minimised. The Australian health response to the COVID-19 pandemic is implemented through effective cooperation between all levels of government through National Cabinet.	On track
3.2	Ensure vulnerable Australians are supported during the COVID-19 pandemic.	The Australian welfare system is targeted to assist those most adversely affected by the COVID-19 pandemic.	On track

Purpose 3: Strengthening families and communities

No	Key activity	Measure	Results
3.3	Drive and coordinate the Government's education and skills reforms to build social resilience, develop human capital and support economic recovery, including expanding micro credentials and better matching skills training to demand in current and future jobs.	<p>The Government's JobTrainer package is delivered effectively in partnership with the states and territories to help Australians upskill and reskill.</p> <p>The Heads of Agreement for Skills Reform is implemented effectively to improve the Vocational Education and Training system.</p>	On track
3.4	Drive the Government's mental health and towards zero suicide agenda.	<p>The Prime Minister's Suicide Prevention Adviser provides interim and final advice to the Prime Minister.</p> <p>PM&C working with the Department of Health drives the consolidated Government response to the Productivity Commission report into mental health.</p> <p>The National Commissioner for Defence and Veteran Suicide Prevention (the National Commissioner) is established through legislation and appointed.</p>	On track
3.5	Deliver key priorities for gender equality and women's safety.	Implementation of the Fourth Action Plan of the National Plan to Reduce Violence against Women and their Children 2010–2022 and developing the next National Plan.	On track
		Participating in targeted international fora on gender equality issues, including the Commission on the Status of Women.	On track
		Drive an increase for women in leadership positions, including gender diversity on Australian Government boards.	On track

Purpose 3: Strengthening families and communities

No	Key activity	Measure	Results
3.6	Improve the wellbeing of Aboriginal and Torres Strait Islander peoples.	All Australian Government agencies contribute to the development of the Commonwealth Closing the Gap Implementation Plan. The Government is provided with options for a voice for Indigenous Australians and constitutional recognition.	On track
3.7	Drive the delivery of nationally significant child safety reforms including implementing key recommendations from the Royal Commission into Institutional Responses to Child Sexual Abuse.	The Prime Minister and Assistant Minister receive high quality and timely advice on the implementation of key child safety reforms including: <ul style="list-style-type: none"> • Delivery of the National Strategy to Prevent Child Sexual Abuse • A nationally harmonised approach to child safety in organisations, based on the National Principles for Child Safe Organisations • Ongoing implementation of the Commonwealth Child Safe Framework. 	On track
3.8	Ensure the delivery of the Social Impact Investment (SII) Expert Panel's final report to Government.	The Final Report of the Social Impact Investing Taskforce is delivered within agreed timeframes to the satisfaction of the Prime Minister, the Assistant Minister to the Prime Minister and Cabinet, and key stakeholders.	Achieved

Purpose 4: Enhancing Australia's international and national security

No	Key activity	Measure	Results
4.1	Support the Prime Minister's engagement with foreign counterparts in order to shape Australia's strategic environment and advance our national interest.	<p>The Prime Minister is supported to shape Australia's international environment and pursue the Government's agenda through timely, high-quality advice.</p> <p>Decisions in relation to foreign policy are made and implemented on the basis of Australia's national interest, and take account of a full range of social, economic and security equities.</p> <p>Implementation of commitments made by the Prime Minister to foreign leaders.</p>	Achieved
4.2	<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; and • the Indo-Pacific. 	<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>	Achieved
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 2020 Defence Strategic Update and the associated Integrated Investment Program.	Achieved

Purpose 4: Enhancing Australia's international and national security

No	Key activity	Measure	Results
4.4	<p>Support the Prime Minister as chair of NSC to secure decisions and drive implementation of:</p> <ul style="list-style-type: none"> • sovereign capabilities and countering foreign interference; • cyber security refresh; • strengthening protections for critical infrastructure; and • implementation of the Government's highest foreign policy priorities, such as the Pacific Step-up. 	A focused NSC agenda, with clear decision making and management processes and effective implementation of decisions.	Achieved

Purpose 5: Governing well

No	Key activity	Measure	Results
5.1	Provide clear and actionable advice on significant legal risks for Government or ensure they are brought to Government's attention.	The Prime Minister and his office have timely and comprehensive visibility of significant legal risks for government as they emerge, including through collaboration with other areas of the Department, the Attorney-General's Department, and relevant portfolio agencies.	Achieved
5.2	Deliver high quality improvements and support for the CabNet+ system for the Cabinet and all customer agencies.	The new CabNet+ system supports ministers and departments to collaborate easily and ensures access to timely information.	On track

Purpose 5: Governing well

No	Key activity	Measure	Results
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, including changes to the machinery of government and/or Ministry. Effective collaboration and coordination with relevant APS agencies on governance matters, including changes to the machinery of government.	Achieved
5.4	Advance Australia's interests through well-executed programs, including appropriate and effective use of technology, for the Prime Minister's overseas engagements, virtual summits, visits by Heads of State and Government and state occasions.	PM&C coordinates and delivers high-quality operational support for the Prime Minister's official overseas engagements, virtual summits, for Guests of Government visits and state occasions.	Achieved
5.5	Ensure the Department as an organisation is fit-for-purpose and ready to perform our functions in line with relevant standards and best practice to support the Prime Minister, Portfolio Ministers, their offices and the executive.	Timely registration and actioning of ministerial correspondence.	Partially achieved
5.6	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

Purpose 5: Governing well

No	Key activity	Measure	Results
5.7	Ensure Australia's honours system appropriately recognises worthy Australians.	Timely advice on the administration of Australia's honours system is provided to the Prime Minister, 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 administration of awards. 	Achieved
5.8	Support reforms to accelerate APS digital transformation; and drive APS capability development and planning.	PM&C enables whole-of-government collaboration to facilitate good policy development including by coordinating and influencing data activities across agencies and data sharing activities.	Achieved
5.9	Draw on structured policy analysis, agile project management methods and behavioural insights to deliver policy projects.	Contribute to the delivery of the Government's key priorities through the application of behavioural economics and rigorous evaluation.	Achieved
5.10	Provide high quality support and advice to the National Cabinet and the National Federation Reform Council.	High quality support provided to the National Cabinet and the National Federation Reform Council.	Achieved
		Operational and support services to support meetings of Cabinet and committees are managed and delivered to a consistently high standard.	Achieved
5.11	Monitor and report on the implementation of Government priorities.	High quality quantitative and qualitative data provided to the Prime Minister on the status of priorities.	Achieved

Purpose 5: Governing well

No	Key activity	Measure	Results
5.12	Drive development and delivery of practical reform actions that support the APS to respond to the ongoing crisis and Australia's recovery from COVID-19, including the implementation of reforms within agencies.	Reforms agreed by the Secretaries Board are implemented and improve APS capability.	Achieved
5.13	Ensure the Department has the capacity and capability to respond to a rapidly changing operating context through the development of an agency-wide workforce strategy including reference to APS Reform and talent and succession planning.	The workforce strategy is developed and implemented.	Achieved

Purpose 6: Preparing well to respond to critical issues

No	Key activity	Measure	Results
6.1	Establish a greater capability to anticipate and establish a rapid and ready response capability.	PM&C has an action plan to anticipate and stand up taskforces to manage critical issues as they arise.	On track
6.2	Support the Government as new priorities arise by responding quickly and flexibly in establishing robust governance arrangements and functions with appropriate resourcing.	Commonwealth whole-of-government coordination, resource mobilisation and support to state and territory jurisdictions during times of crisis are effective.	Achieved
6.3	Support the Government in its efforts to introduce new Emergency Management response architecture.	Commonwealth whole-of-government coordination, resource mobilisation and support to state and territory jurisdictions during times of crisis are effective.	On track
6.4	Support the APS Commissioner in building agile workforce models, including exploring the establishment of a surge workforce capacity which can be mobilised in times of extreme national crisis.	Commonwealth whole-of-government coordination, resource mobilisation and support to state and territory jurisdictions during times of crisis are effective.	Partially achieved
6.5	Support Government in the implementation of agreed recommendations arising from the CSIRO Climate and Disaster Resilience Report submitted to the Commonwealth Government on 30 June 2020.	Commonwealth whole-of-government coordination, resource mobilisation and support to state and territory jurisdictions during times of crisis are effective.	On track
6.6	Contribute to the Royal Commission into National Natural Disaster Arrangements, provide advice to the Prime Minister on the Government's response, and work with Commonwealth and external agencies to implement agreed recommendations.	Work cooperatively with states and territories to respond to the Royal Commission's report and implement agreed recommendations.	On track



Purpose 1

*Growing our economy,
incomes and creating jobs*

Summary

PM&C achieved 8 of the 9 performance measures under Purpose 1 in the 2020–21 reporting year and is on track to deliver the remaining one over the forward estimates. The detailed performance analyses and case studies below demonstrate PM&C's performance against each key activity, measure and target to support the purpose of growing our economy and incomes and creating jobs.

Results: Key Activity 1.1

Key activity	Measure	Target
Advise the Prime Minister on the prioritisation and design of policies to support job creation as part of the Government's JobMaker Plan.	Ensure 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.	<ul style="list-style-type: none"> Accelerate Australia's recovery from the COVID-19 pandemic, including getting Australians back into jobs and supporting sustainable economic growth by developing, coordinating and implementing the Government's JobMaker Plan.
Source	Corporate Plan 2020–24, pp 8–11	
Result	Achieved	
Methodology	Evaluation through data analysis and stakeholder survey	
Analysis	<p>PM&C achieved its measure and target under this key activity by assisting the Prime Minister and the Expenditure Review Committee of Cabinet to continue to rapidly respond to the COVID-19 crisis and support the economic recovery.</p> <p>PM&C played a central role in convening expertise to design policies that would support Australian employees through the most severe global economic crisis since the Great Depression. Through the JobMaker Plan, in addition to measures to provide financial support to businesses and households in response to COVID-19, the Australian labour market recovery has experienced a significant turnaround. While risks to the labour market from further COVID-19 outbreaks remain, labour market data to date shows this improvement.</p> <p>External stakeholders were surveyed and rated PM&C's efforts in seeking their views and coordinating policy development across the government as very positive. These stakeholders felt supported during the implementation phase of the Government's JobMaker Plan.</p> <p>Australian Bureau of Statistics (ABS) Labour Force data shows that the number of employed persons grew by 748,800 between June 2020 and May 2021 – an increase of 6.1%. The number of unemployed people fell by 281,700 over the same period – a decrease of 28.7%.</p> <p>The number of payroll jobs increased by 7% from June 2020 to May 2021, while the number of JobSeeker claims (no earnings) fell from 1,223,295 persons in June 2020 to 792,372 in May 2021 – a decrease of 35.2%.</p> <p>Performance for this activity has been strongly dependent on the external economic environment and success is attributable to a wide range of factors. However, it is clear that implementation of the Government's JobMaker Plan has strongly supported these outcomes.</p>	

Results: Key Activity 1.2

Key activity	Measure	Target
Design, coordinate and drive initiatives that will see Australia achieve the Government's goal of being a digital economy and society by 2030.	Ensure the Prime Minister, the Cabinet, responsible ministers and agencies receive high-quality and coordinated advice including a strategy to be a leading digital economy to inform policy development and support the implementation of the Government's key priorities and activities.	<ul style="list-style-type: none"> Quality of advice received demonstrably supports the Prime Minister in coordinating and implementing policies and programs. Effective coordination between international and domestic efforts to support and respond to digital transformation. 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 2020–24, pp 8–11	
Result	Achieved	
Methodology	Evaluation through delivery of milestone and stakeholder survey	
Analysis	<p>PM&C achieved its measure and targets under this key activity through the work of the multi-agency Digital Technology Taskforce, led by PM&C.</p> <p>In 2020–21 the taskforce developed and released a Digital Economy Strategy to guide Australia's digital development and ensure Australia is a leading digital economy and society by 2030. The Digital Economy Strategy sets out how the Government's domestic and internationally focused initiatives and investments are intended to work together to support the Australian Government's strategic objectives.</p> <p>The Digital Technology Taskforce also assisted in the development of 2 Budget packages associated with the Digital Economy Strategy. The Budget packages comprised over 45 measures across 10 portfolios, with close to \$800 million invested in the Digital Business Plan at the October 2020–21 Budget and \$1.2 billion in the 2021–22 Budget context.</p> <p>In developing the strategy and Budget packages, the Digital Technology Taskforce consulted widely across government and the private sector, including through the Digital Experts Advisory Committee (DEAC) and a Digital Technology Interdepartmental Committee (IDC), involving 17 agencies and 14 portfolios. The taskforce successfully coordinated 4 DEAC meetings and 5 Digital Technology IDC meetings in 2020–21. It also provided high-quality advice to the Prime Minister and responsible ministers on initiatives to achieve the Government's digital priorities.</p> <p>Responses to the release of the Digital Economy Strategy have been broadly positive. Stakeholder feedback on the work of the Digital Technology Taskforce was also positive and we received complimentary feedback from ministerial offices on the Taskforce's advice. The independent stakeholder survey found that the majority of stakeholders provided positive feedback.</p>	

Results: Key Activity 1.3

Key activity	Measure	Target
Drive the Government's refreshed whole-of-government deregulation agenda to support business investment and job creation, by working across the APS to ensure regulation is fit-for-purpose and regulator performance is best practice.	<p>Ensure 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.</p> <p>In partnership with state and territory governments and industry, identify solutions to reduce regulatory barriers to business investment and jobs growth in priority areas.</p>	<p>Ensure regulatory settings are fit-for-purpose, well-designed and implemented, achieving the intended outcome with the lightest touch by progressing deregulation through a number of avenues:</p> <ul style="list-style-type: none"> • Secretaries Board, as stewards of regulatory policies, to ensure regulatory settings are fit-for-purpose (efficient, effective, clear, resilient) and that implementation is best practice. • Development of proposals for government decision, and to include Regulation Impact Assessments where needed. • Deregulation Taskforce deep dives into priority areas that are complex, cross portfolio and/or cross jurisdictional. • Contributing to and supporting a coordinated and ambitious National Deregulation Agenda.
Source	Corporate Plan 2020–24, pp 8–11	
Result	Achieved	
Methodology	Evaluation through data analysis, service delivery and stakeholder survey	

Key activity	Measure	Target
Analysis	<p>PM&C achieved its measures and targets under this activity through its work to progress the Government's Deregulation Agenda.</p> <p>The Deregulation Agenda aims to reduce barriers to productivity growth and competitiveness; and ensure that regulations are well designed, are fit for purpose and support businesses. In 2020–21, PM&C supported the refreshed Deregulation Agenda by working across the APS to ensure regulatory settings are fit for purpose, government proposals are supported by robust regulatory impact analysis and regulator performance is best practice. PM&C also undertook deep dives into complex, cross-jurisdiction regulatory issues.</p> <p>Under the Government's approach to regulation, ministers, secretaries and agency heads are ultimately the stewards of the regulations and regulatory approaches that fall under their authority. Reflecting this approach, PM&C worked with the Secretaries Board, the Prime Minister and the Assistant Minister to the Prime Minister and Cabinet, the Hon Ben Morton MP, to identify opportunities for regulatory reform and deregulation.</p> <p>PM&C delivered Deregulation Packages of \$92.1 million in the 2020–21 Budget and \$134.6 million in the 2021–22 Budget for measures that support Australia's economic recovery by reducing regulation compliance costs for businesses interacting with government.</p> <p>The PM&C Deregulation Taskforce also undertook 4 deep dives into complex, cross-jurisdiction regulatory issues to identify initiatives to streamline regulation. A result of one of these activities is the Automatic Mutual Recognition legislation, which will cut red tape for licensed workers by reducing cross-jurisdictional regulatory burdens without watering down safeguards.</p> <p>The Deregulation Taskforce also supported the establishment of the new cross-agency taskforce on supporting Simplified Trade Systems. In 2021, the Government released the new Regulator Performance Guide, which establishes the Government's expectations for regulator performance and reporting and supports regulator best practice. The guide sets out 3 principles of regulator best practice, and brings reporting under the <i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act). PM&C supported the Government in producing the guide and provided guidance and support to ministers, departments and regulators on issuing Ministerial Statements of Expectations for regulators in line with the new reporting arrangements. PM&C also put governance structures in place to share best practice and bring a regulators perspective. Under the new structure, a Regulator Leadership Cohort reports to the Secretaries Board.</p>	

Key activity	Measure	Target
Analysis	<p>Over the financial year PM&C guided policy makers through the regulatory impact analysis framework, ensuring all major decisions of government were supported by regulatory impact analysis. In 2020–21, PM&C’s Office of Best Practice Regulation (OBPR) provided over 2,690 training hours to other Commonwealth agencies on impact analysis and policy-making processes and is on track to deliver training in evidence-based analysis to most APS graduates in the 2021 calendar year. OBPR provided advice on each proposal that the Government considered, and it published over 96 finalised pieces of analysis – a significant increase on the long-term average of 70 to 80 pieces of analysis per year.</p> <p>PM&C engaged Commonwealth agencies, jurisdictions, international organisations, industry and business to identify, develop and lead regulatory reforms as part of the Deregulation Agenda. This included working with the Council on Federal Financial Relations on reform priorities including occupational mobility and a forward work plan.</p> <p>The majority of external stakeholders provided positive feedback on PM&C’s efforts in driving the Government’s deregulation agenda. Stakeholders were highly satisfied with our support in implementing Government priorities and our consultation across government. Our stakeholders were particularly complimentary about the training provided by the OBPR. Ministerial feedback relating to PM&C’s quality and timeliness of advice was rated as very positive.</p> <p>Factors that influenced performance included the impact of COVID-19 on Government policy and the operations of PM&C and other departments; and a strong focus on deregulation as part of the Government’s economic recovery strategy.</p>	

Note: the Deregulation Taskforce was being moved from the Department of the Treasury to PM&C during the drafting of the Corporate Plan 2020–24. Its original targets were included in the plan provisionally. Since the publication of the Corporate Plan, the Deregulation Taskforce and the Economic Division in PM&C worked to synergise their work on the Deregulation Agenda, regulatory policy, and better practice regulation. As a result, the performance measure and targets were updated in the APS to reflect the broader ambit of the work now undertaken by the responsible areas across these divisions.

Results: Key Activity 1.4

Key activity	Measure	Target
Deliver the refreshed Women's Economic Security Statement to increase women's workforce participation and women's leadership opportunities, and deliver grants and programs to promote women's economic security and leadership.	Ensure the Prime Minister, the Cabinet, responsible ministers and agencies received high-quality and coordinated advice to inform policy development and support the implementation of the Government's key priorities and activities.	<ul style="list-style-type: none"> Quality of advice received demonstrably supports the Prime Minister in coordinating and implementing 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 2020–24, pp 8–11	
Result	Achieved	
Methodology	Evaluation through delivery of milestone and case study	

Key activity	Measure	Target
Analysis	<p>PM&C achieved its measure and targets under this key activity through its work on the 2020 Women's Economic Security Statement and the Women@Work measure.</p> <p>The 2020 Women's Economic Security Statement, released in October 2020, aims to create more opportunities and greater choice for women and support them to build economic security as we recover from COVID-19. It builds on the 2018 statement and complements the Government's JobMaker Plan initiatives. Under the new statement, the Government has committed \$240.4 million over 5 years for a wide range of targeted measures to support women to strengthen their employment opportunities, pay, participation and flexibility.</p> <p>The 2020 Women's Economic Security Statement sets out 5 key priorities:</p> <ol style="list-style-type: none"> 1. Repair and rebuild women's workforce participation and further close the gender pay gap. 2. Provide greater choice and flexibility for families to manage work and care. 3. Support women as leaders and positive role models. 4. Respond to the diverse needs of women. 5. Support women to be safe at work and home. <p>PM&C's Office for Women led the development of the statement, which was developed in collaboration with other Commonwealth agencies. We have continued this collaboration to monitor implementation of the initiatives. All initiatives are completed or on track for completion.</p> <p>The Women's Economic Security Statement included a new Women@Work measure under the Women's Leadership and Development Program. The Office for Women took on responsibility for delivery of the new measure (see the case study below).</p>	

Women's Leadership and Development Program

CASE STUDY

The Women's Leadership and Development Program (WLDP) delivers a range of projects that benefit Australian women by increasing and improving participation and representation opportunities; improving safety and economic security; and increasing leadership opportunities. The WLDP aims to improve outcomes for Australian women in 6 key focus areas: women's job creation; women's economic security; women's workforce participation; women's leadership; women's safety; and international engagement.

PM&C's Office for Women (OFW) administers the program and works in a collaborative partnership with the Community Grants Hub to ensure grants under the program are delivered in line with best-practice governance standards.

During 2020–21, the OFW was focused on delivering additional funding to the WLDP as part of the Women@Work measure in the 2020 Women's Economic Security Statement. Under the measure, \$47.9 million was committed for grants to advance women's economic security, safety and leadership. The measure added a sixth priority to the WLDP's original 5 key priorities on women's job creation and boosted funding for the original priorities. The OFW has supported the Government to fully allocate the additional \$47.9 million for WLDP across 63 individual projects that will improve outcomes for Australian women.

The Women@Work measure provided \$39.8 million in WLDP grants for new projects under the project grant round. Applications under the round opened on 19 November 2020 and closed on 9 December 2020, and the outcomes were announced on 22 May 2021. A total of 60 organisations received funding to deliver new projects to improve outcomes for Australian women.

The OFW also finalised grant agreements to expand existing projects that support women: a \$5 million expansion for the Academy for Enterprising Girls program, which provides tools to support young women to become Australia's next generation of entrepreneurs; a \$1.6 million expansion for the Women Building Australia program; and \$3.4 million for the Sport Australia Women Leaders in Sport Program.

Implementation of the expanded WLDP delivers on the Government's priority of repairing and rebuilding women's workforce participation and further closing the gender pay gap as outlined in the 2020 Women's Economic Security Statement.

The overall implementation of the WLDP will continue over the forward estimates. The OFW will report regularly on delivery of each funded project against percentage of deliverables achieved under each funding agreement and number of women supported by each project.

Results: Key Activity 1.5

Key activity	Measure	Target
Support the Prime Minister at the G20 and other international forums to drive international cooperation and advance Australia's national interests.	Ensure the Prime Minister, the Cabinet, responsible ministers and agencies received high-quality and coordinated advice to inform policy development and support the implementation of the Government's key priorities and activities.	<ul style="list-style-type: none"> Quality of advice received demonstrably supports the Prime Minister in coordinating and implementing 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 2020–24, pp 8–11	
Result	Achieved	
Methodology	Evaluation through data analysis, stakeholder survey and case studies	

Key activity	Measure	Target
Analysis	<p>PM&C achieved its measure and targets under this key activity by supporting the Prime Minister at the G20 Summit and other international forums.</p> <p>In November 2020, the Prime Minister attended the virtual G20 Summit hosted by Saudi Arabia. PM&C's role was to support the Prime Minister by providing high-quality and coordinated advice on our strategic priorities and interests across the broad suite of G20 issues. The advice we provided for the summit was used to develop policy and briefing products that advanced Australia's interests and those of our region.</p> <p>To ensure our advice considered all relevant stakeholders' views, we consulted and collaborated with other Commonwealth agencies and internal stakeholders. PM&C ensured there was regular stakeholder engagement and oversight of these relationships at both working and official level. At working level, interdepartmental and bilateral meetings were held as required to share information and policy developments. Briefings were supported by clear information, and fortnightly stakeholder mapping meetings provided oversight of the status of our relationships with stakeholders. At official level, senior officials engaged regularly with their counterparts in the Department of Foreign Affairs and Trade and the Department of the Treasury.</p> <p>We applied the same approach to supporting the Prime Minister's participation at the G7 Summit in June 2021. PM&C coordinated high-quality advice to support the Prime Minister to advance Australia's interests, and those of our region, through his participation in outreach partner sessions. To inform Australia's positions, we consulted internal and external stakeholders, including other Commonwealth agencies, international counterparts, academia and civil society.</p>	

Key activity	Measure	Target
<p>Analysis</p>	<p>In addition to the case study below, the evidentiary base for our performance under this key activity includes data and statistics such as records of consultation demonstrating regular whole-of-government engagement and reporting on key G20 Summit meetings; positive stakeholder feedback from colleagues at the departments of Foreign Affairs and Trade; Treasury; Industry, Science, Energy and Resources; and Health. The Office of the G20 Sherpa also conducted an internal survey. Positive stakeholder feedback was also received from the Prime Minister's Office for our G20 negotiation and advocacy efforts in the lead-up to the summit. Overall, stakeholders provided a favourable assessment on PM&C's efforts to support the Prime Minister at the G20. Our external stakeholders commended our responsiveness and consideration of their views to add value to policy development, noting the complexities of developing long-term policy in an ever-evolving environment.</p> <p>Other international forums</p> <p>In 2020–21, PM&C supported the Prime Minister's engagement at a range of international forums at which he advocated for Australia's national interests and further enhanced our engagement with regional partners.</p> <p>COVID-19 continues to pose significant challenges to international engagement, leading to virtual formats for almost all significant meetings and international forums. Despite these limitations, PM&C provided comprehensive briefing and logistics support that enabled the Prime Minister to engage in important international forums such as the G20 Summit, the ASEAN-Australia Summit, the East Asia Summit, the Regional Comprehensive Economic Partnership (RCEP) Summit and the Pacific Islands Forum.</p> <p>Our high-quality and timely briefing at these events was based on strong coordination across relevant stakeholders to ensure a whole-of-government position was reflected. The quality of PM&C's engagement with relevant line agencies is evidenced by the highly positive response that external stakeholders provided when they were surveyed about the support that PM&C provided to the Prime Minister.</p>	

2020 Riyadh G20 Leaders' Declaration

CASE STUDY

On 21–22 November 2020, G20 leaders met virtually to chart a path to recovery from COVID-19. The outcomes were issued in a negotiated statement following the summit – the Leaders' Declaration.

The Leaders' Declaration at this meeting focused on the COVID-19 response and recovery. It was successfully negotiated and reflected positions advocated by PM&C and the Prime Minister.

PM&C developed Australia's negotiating position by identifying our strategic priorities and interests across the broad suite of G20 issues. PM&C advocated Australia's positions throughout the year, then led the formal negotiation process ahead of the Leaders' Summit. We coordinated the Australian Government positions by engaging with stakeholders within PM&C and across government agencies and consulted other member countries to identify and advance areas of mutual interest. We commented on presidency drafts to shape the outcomes and negotiated the final language at a series of virtual sherpa meetings.

PM&C also supported the Prime Minister to advance Australia's interests and those of our region at the G20 Summit. For example, G20 leaders agreed to 'spare no effort' to ensure affordable and equitable access to COVID-19 vaccines, therapeutics and diagnostics; and acknowledged the particular challenges faced by small island developing states. The agreed outcomes in the Leaders' Declaration will help set the economic conditions for global recovery and reinforce support for multilateralism, open markets and the rules-based order, which underpin our national prosperity.

The Leaders' Declaration helped advance Australia's national interests and drive international cooperation to chart a path through to recovery, signalling that the Prime Minister and global leaders were united in their determination to protect lives and restore growth.

Virtual ASEAN–Australia Summit, East Asia Summit and Regional Comprehensive Economic Partnership Summit

CASE STUDY

On 14–15 November 2020, the Prime Minister met his Indo-Pacific counterparts at the virtual ASEAN–Australia Summit, East Asia Summit and Regional Comprehensive Economic Partnership (RCEP) Summit.

These virtual summits provided an opportunity to elevate Australia's cooperation in South-East Asia, to further our national interests through our Indo-Pacific relationships, and to discuss Australia's role in the region's COVID-19 recovery.

The advice and briefing that PM&C provided to the Prime Minister supported him to engage in important strategic discussions with his Indo-Pacific counterparts at these summits. PM&C also worked with agencies to secure ASEAN's agreement to annual leaders' summits with Australia, marking a new chapter in Australia's strategic partnership with ASEAN.

PM&C worked closely with the Department of Foreign Affairs and Trade and other government agencies to develop a package of over \$500 million of economic, development and security initiatives to support South-East Asia's COVID-19 recovery. The package was announced at the virtual ASEAN–Australia Summit and East Asia Summit.

At the RCEP Summit, the Government signed the RCEP agreement between Australia and 14 other Indo-Pacific countries, signalling our region's shared commitment to open trade and investment.

These enhanced regional arrangements serve Australia's interests in a stable and prosperous Indo-Pacific.

Results: Key Activity 1.6

Key activity	Measure	Target
Work across government to support delivery of the Government's \$100 billion, 10-year transport infrastructure pipeline and ensure delivery of priority projects such as the Western Sydney Airport, Inland Rail, Snowy Hydro 2.0 and telecommunication infrastructure.	Ensure the Prime Minister and the Cabinet receive timely advice on the progress of, and risks to, infrastructure investment.	<ul style="list-style-type: none"> Infrastructure investment contributes to short, medium and long term economic recovery and productivity.
Source	Corporate Plan 2020–24, pp 8–11	
Result	Achieved	
Methodology	Evaluation through stakeholder survey and feedback	
Analysis	<p>PM&C achieved its measure and target under this key activity by providing timely advice to the Prime Minister and the Cabinet on the progress of and risks to infrastructure investment in the 10-Year Infrastructure Investment Pipeline and other priority projects.</p> <p>This was in the form of advice to the Prime Minister, particularly through Cabinet and Cabinet Committee meetings on the Western Sydney Airport, Inland Rail and projects under the Infrastructure Investment Program. We also worked collaboratively with our line agencies, central agencies and other stakeholders to develop advice on progress and risks to delivery.</p> <p>Stakeholder survey results demonstrated a positive response from external stakeholders, further supporting our performance against this measure.</p>	

Results: Key Activity 1.7

Key activity	Measure	Target
Ensure recovery of the freight sector by working across governments to coordinate effective and timely measures in air, road, rail and maritime transport.	Ensure advice on the freight sector is coordinated, timely and grounded by partnerships with industry and governments.	<ul style="list-style-type: none"> The freight sector continues to provide the services needed by communities and the economy in a resilient, efficient and adaptive manner.
Source	Corporate Plan 2020–24, pp 8–11	
Result	Achieved	
Methodology	Evaluation through data/briefing analysis	
Analysis	<p>PM&C achieved its measure and target under this key activity by providing advice and assistance to the Prime Minister and the Cabinet on measures to ensure recovery in the freight sector after COVID-19.</p> <p>PM&C helped ensure the recovery of the freight sector from the impacts of COVID-19 by working across governments to coordinate effective and timely measures in air, road, rail and maritime transport. PM&C coordinated timely advice to the Prime Minister and the Cabinet, which helped the Government to ensure the freight sector continued to provide the services needed by communities and the economy in a resilient, efficient and adaptive manner. An example of this was the development of the Freight Movement Code.</p> <p>PM&C regularly attended and convened whole-of-government forums such as the National Coordination Mechanism, First Secretaries Group, First Deputies Group and other working groups (including regular meetings with industry). PM&C also provided advice, including risk management advice, to inform decision making on support packages for Australia's aviation sector throughout 2020–21. This involved coordination with relevant line and central agencies.</p>	

Results: Key Activity 1.8

Key activity	Measure	Target
Provide targeted and timely advice to the Prime Minister and the Cabinet on options to enable affordable and reliable energy markets, while meeting Australia's international emissions reduction commitments.	The Government is supported by comprehensive and evidence-based policy advice that ensures reliable and affordable energy while meeting our international commitments.	<ul style="list-style-type: none"> Continued downward pressure on energy prices, increased grid resilience, and emissions reductions in line with our international commitments.
Source	Corporate Plan 2020–24, pp 8–11	
Result	Achieved	
Methodology	Evaluation through stakeholder survey	
Analysis	<p>PM&C achieved this measure under this key activity by providing high-quality, whole-of-government advice to the Prime Minister and working closely with the Department of Industry, Science, Energy and Resources (DISER) to ensure reliability in the energy market, drive down prices and meet our climate commitments.</p> <p>Energy and climate policy is a cross-cutting matter across many sectors, including industry, environment, infrastructure, trade and international relations. Therefore, PM&C worked to ensure a broad range of stakeholders from across government were included in policy formulation and advice processes. Stakeholder survey results demonstrated a generally positive response from our external stakeholders.</p>	

Key activity	Measure	Target
<p>Analysis</p>	<p>Through collaboration with DISER and other Commonwealth agencies, alongside extensive briefing to the Prime Minister and the Cabinet, PM&C assisted in the delivery of a number of key packages throughout the 2020–21 and 2021–22 Budget periods. For example:</p> <ul style="list-style-type: none"> • In the 2021–22 Budget, up to \$2.4 billion was provided for a fuel security package to secure Australia’s long-term fuel supply and keep prices low for consumers. • The 2021–22 Budget also contained a \$196 million package to improve the reliability and affordability of electricity for Australian consumers, many in regional Australia. • The 2020–21 and 2021–22 Budgets both contained packages to support low-emissions technologies that will grow jobs for Australians while driving down emissions in Australia and abroad: the 2020–21 Budget committed \$1.9 billion; and the 2021–22 Budget committed \$1.6 billion for the Australian Renewable Energy Agency, and \$565.8 million for international partnerships to accelerate low-emissions technology uptake and reduce emissions. <p>By delivering high-quality and timely advice to stakeholders, PM&C ensured complex energy and climate policy was developed consultatively and reflected Government priorities and the interests of the Australian people.</p> <p>PM&C ensured a whole-of-government approach to international climate advocacy and engagement, including by directly supporting the Prime Minister’s participation in international multilateral and bilateral events.</p> <p>The establishment of a new Energy and Climate Change Branch, building on the former section with the same remit, ensured PM&C was best placed to deliver rapid, high-quality analysis and advice to our stakeholders to inform an increased volume of key decisions and engagements across the climate and energy policy landscape.</p>	

Results: Key Activity 1.9

Key activity	Measure	Target
Work across government to deliver a coordinated plan to build scale and competitiveness in the Australian manufacturing sector.	The Government is supported to develop and deliver a new plan for the manufacturing sector.	<ul style="list-style-type: none"> The plan establishes a clear framework for building the scale and resilience, increasing value and creating jobs in Australia's manufacturing sector.
Source	Corporate Plan 2020–24, pp 8–11	
Result	On track	
Methodology	Evaluation through case study	
Analysis	<p>PM&C achieved its measure and target under this key activity by supporting the Government to deliver new programs to support scale, collaboration and growth in the manufacturing sector over the forward estimates.</p> <p>In 2021, PM&C provided advice and support to the Prime Minister and Department of Industry, Science, Energy and Resources (DISER), in close consultation with Department of the Treasury, Department of Finance and other relevant agencies, to develop, agree on and release version 1.0 of the 6 National Manufacturing Priority sector roadmaps. We also prepared briefings to support the Prime Minister's attendance at events to launch and promote the roadmaps and supporting investments. Stakeholder survey results suggest opportunity for further consultations and engagement.</p> <p>PM&C worked with DISER to finalise implementation arrangements for the supporting grant programs. Round 1 applications for the translation and integration streams of the Modern Manufacturing Initiative have closed and successful projects have been announced. We are also working with DISER to finalise the design and rollout of the Supply Chain Resilience Initiative and the collaboration stream of the Modern Manufacturing Initiative.</p>	

Supporting amendments to the Modern Manufacturing Initiative to deliver a stronger manufacturing sector sooner

CASE STUDY

The Modern Manufacturing Initiative (MMI) aims to assist Australian manufacturers to compete internationally and to create jobs. It is a key element of the Government's Modern Manufacturing Strategy. There are 3 streams under the initiative: translation, integration, and collaboration. The translation and integration streams of the MMI are the Modern Manufacturing Strategy's key levers to increase manufacturing businesses' integration with global value chains and the translation of research into commercial products and processes. Activities under these streams have been shown to improve the competitiveness of manufacturing businesses and increase the number of people they employ.

There were a large number of excellent applications under the first round of the translation and integration streams. Rather than defer these projects to a future round, the Minister for Industry, Science and Technology, the Hon Christian Porter MP, made the decision to bring forward funding from a later round to give support to more projects under round 1. The earlier support for a greater number of projects will have a stimulus effect in the economy and will mean the overarching policy objectives can be achieved sooner.

PM&C supported the agreed implementation arrangements to bring forward funding from later rounds, in consultation with relevant agencies.

We worked with DISER to develop a proposal to bring forward additional funding, while ensuring that sufficient funding remained for later rounds to support ambitious projects from proponents who were unable to apply in round 1. In developing this proposal we ensured that sufficient communications were in place and stakeholder risks were managed.

Following close collaboration with DISER and central agencies, we briefed the Assistant Minister to the Prime Minister and Cabinet, the Hon Ben Morton MP, on a \$60 million increase in round 1 of the translation and integration streams of the MMI. The Assistant Minister agreed to the increase.

Additional meritorious projects will be agreed under the translation and integration streams of the MMI, improving the capability of many Australian manufacturing businesses sooner and supporting the economy to recover and create jobs.

Purpose 2

Vibrant and resilient regions

Summary

PM&C achieved all 4 of the performance measures under Purpose 2 in 2020–21. The detailed performance analyses and case studies below demonstrate PM&C's performance against each key activity, measure and target to support the purpose of realising vibrant and resilient regions.

Results: Key Activity 2.1

Key activity	Measure	Target
Ensure initiatives are coordinated across governments to boost resilience and support economic growth in regional Australia.	Policies and programs affecting regional Australia are data-driven, place-based and targeted to the needs of regional Australia.	· Regional economies are supported to grow and diversify with effective government support.
Source	Corporate Plan 2020–24, pp 12–13	
Result	Achieved	
Methodology	Evaluation through data analysis	
Analysis	<p>PM&C achieved the measure under this key activity by providing advice, coordinating investment activities, working closely with line agencies and other central agencies and supporting National Federation Reform Council priorities.</p> <p>PM&C coordinated timely advice to the Prime Minister and Cabinet on a diverse range of issues, including the establishment of a new National Recovery and Resilience Agency, the next 5-year plan for developing Northern Australia <i>Our North, Our Future 2021–26</i>, and reforms to the Northern Australia Infrastructure Facility to improve support for economic infrastructure in Northern Australia.</p> <p>PM&C also worked with Commonwealth agencies to advise the Prime Minister and the Cabinet on data-driven and place-based measures to support the needs of regional Australia. For example, we coordinated investments through the Regional Recovery Partnerships with all levels of government, which support recovery and growth in 10 regions across Australia; and also through the COVID-19 Relief and Recovery Fund, which supports regions, communities and industry sectors that have been disproportionately affected by the COVID-19 pandemic.</p>	

Results: Key Activity 2.2

Key activity	Measure	Target
Increase awareness of, and advocate for the importance of conserving and improving Australia's soil and landscape conditions.	Support the National Soils Advocate to influence government policies to improve the health of Australian soils.	<ul style="list-style-type: none"> • Australia's soil and agricultural landscape benefit the environment, improve agricultural productivity and sustainability, and support a food secure nation.
Source	Corporate Plan 2020–24, pp 12–13	
Result	Achieved	
Methodology	Evaluation through data analysis and case study	
Analysis	<p>PM&C achieved the measure under this key activity. We have supported the National Soils Advocate to undertake a range of activities to achieve key performance measures and targets. For example, we have:</p> <ul style="list-style-type: none"> • contributed advice to assist the development of the National Soil Strategy and accompanying Commonwealth Interim Action Plan • successfully delivered the Soil Organic Carbon Forum to 146 policy advisors and decision makers • established the General Jeffery Soil Health Award to sponsor the winner to continue to champion soil health in the community • started a 2-year soils perceptions survey to measure the effectiveness of delivering the objectives of the National Soils Advocate • attended and contributed to numerous meetings, including with the Parliamentary Friends of Soil group, conferences, field days and forums during the year, to talk about soil sustainability and health. <p>Stakeholder survey results demonstrated a positive response, supporting our successful delivery against this performance measure. Ministerial stakeholders also provided an overall positive assessment of our performance.</p> <p>Several factors have influenced PM&C's performance under this key activity. Some key events were cancelled or delayed due to COVID-19, while others were replaced with virtual events. Where events were held virtually the National Soils Advocate and the Office of the National Soils Advocate contributed to the fullest extent.</p> <p>COVID-19 travel restrictions also meant that the National Soils Advocate was not able to attend some events. Where possible, the National Soils Advocate and the Office of the National Soils Advocate participated online. The National Soils Advocate also attended several events online and was able to use these to raise awareness of the role of the National Soils Advocate and how the Office of the National Soils Advocate can support international efforts to improve soil health.</p>	

National Soils Advocate – Soil Organic Carbon Forum

CASE STUDY

On 22 April 2021 – Earth Day – the Office of the National Soils Advocate hosted the Soil Organic Carbon Forum, ‘Soil Organic Carbon Realities for Policy Makers’.

The forum aimed to inform policy makers of the science, challenges and complexities associated with changing and quantifying soil carbon. It enabled some of Australia’s top soil scientists to provide policy makers with evidence-based information about soil organic carbon; why and how we should be building, maintaining and measuring soil organic carbon on farm land; and how to apply this information to future policy design and decisions.

The Office of the National Soils Advocate led the organisation and delivery of the Soil Organic Carbon Forum. This included securing the venue, organising catering and audio visual services, and identifying and inviting potential attendees and speakers for the event.

The Office of the National Soils Advocate prepared the program in consultation with a number of peak soil bodies, research institutions and government departments. Speakers were well-respected scientists from across Australia.

A range of policy makers and decision makers from government and non-government organisations attended. In all, there were 146 delegates, including parliamentarians, policy officers, industry representatives and decision makers working in soil health policy. A post-event survey received 42 responses showing that the majority of respondents agreed that the event met expectations (74%) and its objectives (67%).

The forum also forged closer links between scientists and decision makers across both government and the private sector. As the Government delivers the National Soil Strategy, and is directing greater attention to the issue of soil carbon sequestration and soil carbon policy, it is vital that there is a good understanding of the science underpinning this work to ensure realistic policy expectations.

Results: Key Activity 2.3

Key activity	Measure	Target
Support the National Waste Taskforce to implement the waste export ban and drive better waste and recycling outcomes.	Legislation is introduced into Parliament to give effect to the waste export ban timeline.	<ul style="list-style-type: none"> Increase Australia's ability to reduce, reuse and recycle and take care of its own waste.
Source	Corporate Plan 2020–24, pp 12–13	
Result	Achieved	
Methodology	Evaluation through case study	
Analysis	<p>PM&C achieved the measure and target under this key activity by supporting the National Waste Taskforce to develop and introduce legislation to give effect to a waste export ban. In 2020 the National Waste Taskforce moved to the Environment Protection Division in the Department of Agriculture, Water and the Environment (DAWE). PM&C continued to support the taskforce's work, leading to the passage of the <i>Recycling and Waste Reduction Act 2020</i> and the commencement of the first 2 phases of the waste export ban (see the case study below).</p> <p>PM&C regularly engaged with DAWE to support the development and implementation of measures to drive better recycling outcomes. Constructive engagement across the Commonwealth helped secure funding for measures in the 2020–21 Budget, including:</p> <ul style="list-style-type: none"> a \$190 million Recycling Modernisation Fund to transform Australia's waste and recycling industries by addressing critical gaps in Australia's recycling infrastructure, improving our capability to manage our waste on our own shores over \$30 million to support implementation of the National Waste Policy Action Plan, including actions to drive change in industry, business, governments and the community to turn waste into a reusable commodity over \$20 million to improve our national waste data so it can effectively measure recycling outcomes and track progress against our national waste targets. 	

Driving change to turn waste into a reusable commodity

CASE STUDY

In March 2020, the Australian Government, state and territory governments and the Australian Local Government Association released a strategy to regulate the export of waste glass, plastic, tyres and paper to increase Australia's ability to reduce, reuse and recycle and take care of its own waste. The aim is to ensure that Australia is taking responsibility for its own waste by banning it from being exported. We are working to build Australia's domestic capacity to turn waste materials into high-value recycled commodities because it will create jobs, build a more sophisticated waste and recycling industry and deliver positive outcomes for the environment.

PM&C provided high-quality, influential and timely advice to the Prime Minister and the Cabinet to progress measures to support the Government's waste and recycling agenda. As a result, \$190 million was secured for a Recycling Modernisation Fund to address critical gaps in Australia's recycling infrastructure; and over \$30 million to support implementation of the National Waste Policy Action Plan, which sets the direction for Australia's waste management until 2030 as part of the 2020–21 Budget.

To support the Australian Government's leadership role in the national effort to reduce waste and increase Australian recycling, PM&C jointly led the National Waste Taskforce – later the Waste Policy and Planning Branch in the Department of Agriculture, Water and the Environment (DAWE) – and provided feedback on policy proposals it developed.

This work culminated in Parliament passing the *Recycling and Waste Reduction Act 2020* on 8 December 2020. The Act implements the framework to deliver on the commitment to ban the export of Australia's waste. Importantly, the rules made under the Act will be phased in between 1 January 2021 and 1 July 2024. This will give industry certainty and sufficient time to adapt to the new rules. The glass rules commenced on 1 January 2021 and the plastic rules commenced on 1 July 2021.

Following commencement of the *Recycling and Waste Reduction Act 2020*, PM&C is continuing to support DAWE to implement subsequent phases of the waste export ban, including mixed plastics from 1 July 2021 and whole tyres from 1 December 2021.

PM&C will continue to support DAWE's efforts to drive better recycling outcomes and to create a market for greater use of recycled content by governments, industry and the community.

Results: Key Activity 2.4

Key activity	Measure	Target
Ensure policies and programs support farmers and regional communities to build resilience and better prepare for future drought and natural disasters.	Advice to Government is evidence based, reflects short term needs, wider community impacts and long term resilience.	<ul style="list-style-type: none"> Farmers and communities have the tools they need to become more resilient and prepared for future droughts and natural disasters.
Source	Corporate Plan 2020–24, pp 12–13	
Result	Achieved	
Methodology	Evaluation through data/statistics analysis and delivery of milestones	
Analysis	<p>PM&C achieved its measure and target under this key activity by working closely with line agencies and providing high-quality advice to the Prime Minister and the Cabinet on measures in the 2020–21 Budget and Mid-Year Economic and Fiscal Outlook (MYEFO), and in the 2021–22 Budget process.</p> <p>Key measures such as those that will drive the development and adoption of drought-resilient technologies and practices, and help farmers plan for future drought risks and making climate information more accessible and useful, are being delivered through the Future Drought Fund.</p> <p>We supported Future Drought Fund initiatives agreed during the 2020–21 and 2021–22 Budget periods, totalling \$318.5 million. These included the Drought Resilience Research and Adoption program, the Farm Business Resilience program and the Regional Drought Resilience Program. These initiatives are focused on driving the development and adoption of drought-resilient technologies and practices, helping farmers plan for future drought risks and making climate information more accessible and useful.</p> <p>The Disaster Resilience and Recovery Taskforce in PM&C worked across a broad range of stakeholders to deliver significant reforms, supported by deep stakeholder engagement and extensive briefing to the Prime Minister and the Cabinet.</p>	

Key activity	Measure	Target
Analysis	<p>PM&C led the development of the new \$600 million Preparing Australia Program to be delivered by the new National Recovery and Resilience Agency. We also helped to establish the \$210 million Australian Climate Service, which will provide authoritative climate and disaster risk data and information to the National Recovery and Resilience Agency to improve national resilience.</p> <p>PM&C also proactively supported regional communities to build resilience for future natural hazard events. We participated on the Review Panel for the \$50 million National Flood Mitigation Infrastructure Program and assisted in delivering the 2021–22 Budget measures to address insurance affordability in cyclone-prone Northern Australia.</p> <p>These initiatives were designed to provide national leadership and strategic coordination for natural disaster resilience, risk reduction and preparedness, and to support locally led recovery of communities affected by recent bushfires and floods.</p>	

Purpose 3

Strengthening families and communities

Summary

PM&C achieved one of the 10 performance measures under Purpose 3 in 2020–21 and is on track to deliver the other 9 over the forward estimates. The detailed performance analyses and case studies below demonstrate PM&C's performance against each key activity, measure and target to support the purpose of strengthening families and communities.

Results: Key Activity 3.1

Key activity	Measure	Target
Coordinate the Australian health response to the COVID-19 pandemic.	<p>All Australian Government agencies' actions are coordinated and well delivered to ensure the health effects of COVID-19 in the Australian community are minimised.</p> <p>The Australian health response to the COVID-19 pandemic is implemented through effective cooperation between all levels of government through National Cabinet.</p>	<ul style="list-style-type: none"> · Australia's response to the COVID-19 pandemic is effective by international standards. · National Cabinet is able to make timely and effective decisions based on high quality evidence-based advice.
Source	Corporate Plan 2020–24, pp 15–18	
Result	On track	
Methodology	Evaluation through data analysis	
Analysis	<p>PM&C is on track to achieve the measures and targets under this key activity. Australia's successful response to COVID-19 has resulted in low numbers of community transmissions and related deaths when compared with other countries.</p> <p>As at 30 June 2021, there were 30,610 confirmed COVID-19 cases and, sadly, 910 deaths in Australia. More than 20.6 million tests had been undertaken.</p> <p>Australia's COVID-19 vaccine rollout commenced on 22 February 2021. As at 30 June, more than 7.8 million vaccine doses had been administered and over 29% of eligible Australians have had a first dose of a vaccine.</p> <p>PM&C proactively engaged in supporting states and territories through the National Partnership on COVID-19 Response. We supported the management of health-related measures, including strengthening suicide prevention and mental health supports; developing economic support measures to help Australians affected by outbreaks (including the COVID-19 Disaster Payment and the Pandemic Disaster Leave Payment); and facilitating efforts for safe return of Australians overseas.</p> <p>PM&C continues to regularly brief the Prime Minister and support his engagement at the National Cabinet. PM&C works closely with the Department of Health and other relevant departments when developing advice on Australia's COVID-19 response.</p>	

Key activity	Measure	Target
Analysis	<p>We faced some challenges with the vaccine rollout as a result of the impact of supply constraints and the Australian Technical Advisory Group on Immunisation recommendation that the Pfizer vaccine is preferred over the AstraZeneca vaccine for adults aged under 60 years. New and emerging COVID-19 variants of concern will pose challenges to Australia's management of and response to COVID-19.</p> <p>During the forward estimates, PM&C will continue to collaborate across government to ensure the vaccine rollout remains on track. We will share information with states and territories through a number of intergovernmental forums to ensure that governments remain responsive to emerging COVID-19 risks. PM&C will ensure that support provided to Australians through the national COVID-19 response follows a proactive approach and balances consideration of social and economic factors.</p>	

Results: Key Activity 3.2

Key activity	Measure	Target
Ensure vulnerable Australians are supported during the COVID-19 pandemic.	The Australian welfare system is targeted to assist those most adversely affected by the COVID-19 pandemic.	<ul style="list-style-type: none"> Welfare reforms designed to respond to the COVID-19 pandemic assist the most vulnerable members of Australian society and are consistent with the JobMaker Plan.
Source	Corporate Plan 2020–24, pp 15–18	
Result	On track	
Methodology	Evaluation through data analysis and impact evaluation	
Analysis	<p>PM&C is on track to achieve the measure and target under this key activity.</p> <p>In 2020, the Government introduced a series of payments to support Australians with the economic impact of COVID-19 and state and territory based lockdowns.</p> <p>PM&C coordinated with the Department of Home Affairs and Services Australia to implement several payments:</p> <ul style="list-style-type: none"> The Pandemic Leave Disaster Payment supports workers in any state or territory who have no paid leave entitlements and have been directed by a health official to self-isolate or quarantine because they have COVID-19, are a close contact or have to care for someone who needs to isolate. The Crisis Payment for National Health Emergency (COVID-19) is a one-off payment for individuals affected by COVID-19 who are eligible for an income support payment and in severe financial hardship. The COVID-19 Disaster Payment supports workers who are unable to earn their usual income as a result of state-imposed movement restrictions, lockdowns and Commonwealth-declared hotspots. <p>On 23 February 2021, the Government announced permanent reforms to Australia’s social security system to provide enhanced support for unemployed Australians, consistent with the JobMaker Plan. The Government:</p> <ul style="list-style-type: none"> increased the basic rate of most working-age payments by \$50 per fortnight established a permanent \$150 income free area for most JobSeeker and Youth Allowance (Other) payment recipients. 	

Key activity	Measure	Target
Analysis	<p>These changes benefited around 1.9 million Australians. They commenced on 1 April 2021 following passage of the Social Services Legislation Amendment (Strengthening Income Support) Bill 2021.</p> <p>PM&C played a key role in the development of these reforms. We engaged with Commonwealth agencies on the transition from temporary coronavirus support measures to longer term reforms. We supported cross-agency engagement at Senior Executive Service (SES) level interdepartmental committees and officer-level working groups and provided advice on and drew together relevant policy initiatives from across the APS with a whole-of-government perspective. We also undertook significant analysis of existing payment settings, including to help ensure the increase to the base rate balanced payment adequacy with work incentives and fiscal sustainability.</p> <p>A series of complementary changes to mutual obligation requirements were introduced alongside the working-age payment changes. These changes will strike the right balance between providing support for people and maintaining incentives to work.</p> <p>In April 2021, the number of people on JobSeeker Payment and Youth Allowance (Other) fell by around 120,000. This continues the downward trend in the number of people receiving the JobSeeker Payment since the peak of the pandemic in May 2020. However there remained around 1.2 million people on JobSeeker and Youth Allowance (Other) as at 30 April 2021 (around 360,000 more recipients than in January 2020).</p>	

Results: Key Activity 3.3

Key activity	Measure	Target
Drive and coordinate the Government's education and skills reforms to build social resilience, develop human capital and support economic recovery, including expanding micro credentials and better matching skills training to demand in current and future jobs.	<p>The Government's JobTrainer package is delivered effectively in partnership with the states and territories to help Australians upskill and reskill.</p> <p>The Heads of Agreement for Skills Reform is implemented effectively to improve the Vocational Education and Training system.</p>	<ul style="list-style-type: none"> · The JobTrainer Fund is established through agreement with the states and territories. · Support is provided to employers to retain and employ new apprentices during the COVID-19 pandemic. · The new National Skills Agreement is developed through National Cabinet and its Committees.
Source	Corporate Plan 2020–24, pp 15–18	
Result	On track	
Methodology	Evaluation through milestone delivery, data analysis and informal feedback	
Analysis	<p>PM&C is on track to achieving the measures and targets under this key activity. We are involved in a range of reforms and activities that focus on ways to continue to match training to demand for skilled workers in current and future jobs.</p> <p>In 2020–21, PM&C coordinated and supported an ambitious suite of vocational education and training reforms and investments across a number of economic updates. We collaborated closely with other Commonwealth agencies and provided high-quality and timely advice to the Prime Minister and his office.</p> <p>PM&C supported negotiations with states and territories in the establishment of the JobTrainer Fund. All jurisdictions agreed to partner in the Fund and have met their performance milestones to date. At 31 May 2021, there were 162,589 enrolments in JobTrainer places across Australia. A 6-monthly review is underway – this will provide a detailed analysis of the JobTrainer Fund's progress.</p> <p>Building on the initial success of the program, in the 2021–22 Budget the Government announced that the Fund would be extended and expanded.</p>	

Key activity	Measure	Target
Analysis	<p>In 2020–21, temporary wage subsidies provided significant support to employers with existing and new apprentices. The Boosting Apprenticeship Commencements program met its initial 100,000 target in less than 5 months and was subsequently uncapped/extended in the 2021–22 Budget. As at 24 June 2021, there were 168,373 registrations for the program, and the Supporting Apprentices and Trainees program has supported 68,179 employers of 136,105 apprentices.</p> <p>During the year, the Skills National Cabinet Reform Committee and Council of Federal Financial Relations met regularly to develop and negotiate the new National Skills Agreement. PM&C played a pivotal role in shaping the Skills National Cabinet Reform Committee and its terms of reference – this was critical to the negotiation of the National Skills Agreement. This was one of the first committees set up under the new National Cabinet Reform Committee arrangements. We also supported bilateral and official-level meetings.</p> <p>Priorities for the new National Skills Agreement include adopting a new funding model linked with efficient pricing and the skills needed by employers; and developing and funding accredited micro-credentials.</p>	

Results: Key Activity 3.4

Key activity	Measure	Target
Drive the Government's mental health and towards zero suicide agenda.	<p>The Prime Minister's Suicide Prevention Adviser provides interim and final advice to the Prime Minister.</p> <p>PM&C working with the Department of Health drives the consolidated Government response to the Productivity Commission report into mental health.</p> <p>The National Commissioner for Defence and Veteran Suicide Prevention (the National Commissioner) is established through legislation and appointed.</p>	<ul style="list-style-type: none"> • The Prime Minister's Suicide Prevention Adviser provides interim and final advice to the Prime Minister by August and December 2020 respectively. • A consolidated response to the Productivity Commission report into mental health includes a package of reforms to modernise the Australian mental health system. • Legislation establishing the position of National Commissioner and their office passes Parliament and a National Commissioner is appointed.
Source	Corporate Plan 2020–24, pp 15–18	
Result	On track	
Methodology	Evaluation through milestone delivery	
Analysis	<p>PM&C is on track to achieve the measures and targets under this key activity.</p> <p>Final Advice of the National Suicide Prevention Adviser</p> <p>The Prime Minister's National Suicide Prevention Adviser (NSPA) delivered final advice to the Prime Minister in December 2020. The advice was released publicly on 19 April 2021.</p> <p>PM&C supported the work of the NSPA and the National Suicide Prevention Taskforce and briefed the Prime Minister and Assistant Minister to the Prime Minister for Mental Health and Suicide Prevention, the Hon David Coleman MP, on the work of the NSPA.</p> <p>Response to the Productivity Commission</p> <p>As part of the 2021–22 Budget, the Government announced a \$2.3 billion investment in the National Mental Health and Suicide Prevention Plan to lead reform in the mental health and suicide prevention system. The plan informed the Government response to the final reports of the Productivity Commission Inquiry into Mental Health and the NSPA.</p>	

Key activity	Measure	Target
Analysis	<p>PM&C supported the Department of Health and worked closely with other Commonwealth agencies to develop the National Mental Health and Suicide Prevention Plan. We supported whole-of-government mental health and suicide prevention reform, including supporting cross-agency engagement at SES interdepartmental committees.</p> <p>Legislation to establish the position of National Commissioner</p> <p>On 19 April 2021, the Prime Minister announced a Royal Commission into Defence and Veteran Suicide.</p> <p>The position of the National Commissioner and the Royal Commission are intended to operate in a complementary way to achieve long-term change. For this reason, legislation establishing the position of the National Commissioner and their office will not be passed until Government amendments have been made to ensure the legislation complements the work of the Royal Commission.</p>	

Results: Key Activity 3.5

Key activity	Measure	Target
Deliver key priorities for gender equality and women's safety.	Implementation of the Fourth Action Plan of the National Plan to Reduce Violence against Women and their Children 2010–2022 and developing the next National Plan.	<ul style="list-style-type: none"> The Fourth Action Plan of the National Plan to Reduce Violence against Women and their Children 2010–2022 is implemented and consultation on the next national plan is commenced.
	Participating in targeted international fora on gender equality issues, including the Commission on the Status of Women.	<ul style="list-style-type: none"> Australian interests on gender equality are advanced in international fora.
	Drive an increase for women in leadership positions, including gender diversity on Australian Government boards.	<ul style="list-style-type: none"> Progress is made on achieving the Government's target of women holding 50% of Australian Government board positions overall.
Source	Corporate Plan 2020–24, pp 15–18	
Result	Measure 1: On track	
	Measure 2: On track	
	Measure 3: On track	
Methodology	Evaluation through milestone delivery and data analysis	
Analysis	<p>PM&C is on track to achieve the measures and targets under this key activity.</p> <p>The Fourth Action Plan of the National Plan to Reduce Violence against Women and their Children sets out an ambitious but practical agenda to achieve change and reduce domestic, family and sexual violence against women and their children across 5 priority areas. Implementation of the plan is progressing well and the majority of initiatives are completed or on track. Delivery mechanisms for most initiatives that were impacted by the COVID-19 pandemic in 2020 were adjusted to support implementation.</p>	

Key activity	Measure	Target
Analysis	<p>The Office for Women (OFW) commenced virtual and face-to-face consultations to inform the development of the next National Plan, building on the findings of the House of Representatives Standing Committee on Social Policy and Legal Affairs' Inquiry into Family, Domestic and Sexual Violence, which was published on 1 April 2021.</p> <p>The OFW supported the Minister for Women, as co-chair of the Women's Safety Taskforce, to work with jurisdictions on the implementation of the Fourth Action Plan and the development of the next National Plan. In collaboration with the Department of Social Services, we supported work across government to develop a \$1.1 billion funding package as part of the 2021–22 Women's Budget Statement.</p> <p>The OFW supported Australia's engagement in a range of international forums, including the Commission on the Status of Women. We also supported the Government's successful campaign to elect Natasha Stott Despoja to the Committee on the Elimination of Discrimination Against Women. Her 4-year term commenced on 1 January 2021. She is the only Oceania representative on the committee.</p> <p>The OFW led the whole-of-government development of the Australian National Action Plan on Women, Peace and Security 2021–2031, which renews the Australian Government's commitment to the full and equal participation of women and girls in peace and security arrangements. The Minister for Foreign Affairs and the Minister for Women released the new Action Plan on 12 April 2021.</p> <p>Progress against the Government's target of women holding 50% of Australian Government positions overall is progressing well. On 31 December 2020, women held 49.5% of Government board positions. This is an increase of 1.0 percentage points from 30 June 2020, and it is the highest overall result since reporting began in 2009.</p>	

Results: Key Activity 3.6

Key activity	Measure	Target
Improve the wellbeing of Aboriginal and Torres Strait Islander peoples.	<p>All Australian Government agencies contribute to the development of the Commonwealth Closing the Gap Implementation Plan.</p> <p>The Government is provided with options for a voice for Indigenous Australians and constitutional recognition.</p>	<ul style="list-style-type: none"> · The Closing the Gap Implementation plan is on track for delivery by 31 July 2021 through National Cabinet. · The Government has been provided with options for a voice for Indigenous Australians and constitutional recognition, developed in close consultation with First Nations peoples.
Source	Corporate Plan 2020–24, pp 15–18	
Result	On track	
Methodology	Evaluation through milestone delivery	
Analysis	<p>PM&C is on track to achieving the measures and targets under this key activity.</p> <p>Commonwealth Closing the Gap Implementation Plan</p> <p>The National Agreement on Closing the Gap aims to enable Aboriginal and Torres Strait Islander people and governments to work together to overcome the entrenched inequality experienced by Aboriginal and Torres Strait Islander people and achieve life outcomes equal to those of all Australians. Each party to the agreement is working on an implementation plan setting out how policies and programs are aligned to the agreement and what actions will be taken to achieve the priority reforms.</p> <p>The Joint Council on Closing the Gap agreed to formally receive implementation plans from all parties at the 6 August 2021 meeting. We are on track to providing the Commonwealth Implementation Plan on Closing the Gap in early August. The Prime Minister is scheduled to table the Commonwealth Implementation Plan in Parliament on 5 August 2021.</p> <p>PM&C is working closely with the National Indigenous Australians Agency (NIAA) to coordinate the development and delivery of the Plan with Commonwealth agencies, and in partnership with Aboriginal and Torres Strait Islander stakeholders. We are:</p> <ul style="list-style-type: none"> · monitoring progress and providing advice through regular meetings with NIAA and key stakeholders, including Closing the Gap Joint Working Group with the Coalition of Peaks, Partnership Working Group with jurisdictions and Coalition of Peaks, and state and territory officials meetings 	

Key activity	Measure	Target
Analysis	<ul style="list-style-type: none"> • identifying and providing advice on other relevant policies and initiatives across all Commonwealth agencies – for example, convening a cross-agency deep dive with the Coalition of Peaks on implementation of Priority Reform 2 in the National Agreement on Closing the Gap • disseminating information with PM&C policy areas about the National Agreement on Closing the Gap and the implementation plan • providing advice on the Cabinet process and new Commonwealth–state relations architecture. <p>Indigenous Voice and constitutional recognition</p> <p>In 2017, the Uluru Statement from the Heart and the Referendum Council called for the establishment of a First Nations Voice enshrined in the Australian Constitution.</p> <p>In 2018, the Joint Select Committee on Constitutional Recognition relating to Aboriginal and Torres Strait Islander Peoples recommended that the Australian Government initiate a process of co-design to develop detail for an Indigenous voice.</p> <p>On 30 October 2019, the Minister for Indigenous Australians, the Hon Ken Wyatt AM MP, announced the Indigenous Voice co-design process, established to develop models to enhance local and regional decision making and options to provide a voice for Indigenous Australians to government.</p> <p>Government consideration of options for a voice for Indigenous Australians and constitutional recognition, developed in close consultation with Aboriginal and Torres Strait Islander peoples, is on track.</p> <p>In November and December 2020, the Government considered the initial options for an Indigenous Voice. The options were developed by the co-design groups and outlined in their interim report. PM&C collaborated with the NIAA through the Cabinet process and provided briefing to support the Prime Minister’s and the Cabinet’s consideration of the report.</p> <p>On 9 January 2021, Stage 2 of the Indigenous Voice co-design process was launched. Consultation on the initial options took place across Australia with both Aboriginal and Torres Strait Islander and non-Indigenous people. The co-design groups considered feedback from consultations with over 9,400 people across Australia, both in person and online, to help refine proposals and recommendations for their final report to the Australian Government, which is expected to be published in 2021.</p> <p>PM&C will continue to collaborate with the NIAA as the final report is progressed, including facilitating consultation with other Commonwealth agencies and states and territories as required.</p>	

Results: Key Activity 3.7

Key activity	Measure	Target
Drive the delivery of nationally significant child safety reforms including implementing key recommendations from the Royal Commission into Institutional Responses to Child Sexual Abuse.	<p>The Prime Minister and Assistant Minister receive high quality and timely advice on the implementation of key child safety reforms including:</p> <ul style="list-style-type: none"> • Delivery of the National Strategy to Prevent and Respond to Child Sexual Abuse. • A nationally harmonised approach to child safety in organisations, based on the National Principles for Child Safe Organisations. • Ongoing implementation of the Commonwealth Child Safe Framework. 	<ul style="list-style-type: none"> • The National Strategy is delivered within agreed timeframes and includes an outcomes framework that will achieve genuine impact over the 10 year life of the Strategy including actions to reduce the incidences of child sexual abuse. • A nationally harmonised approach to child safety in organisations is agreed with the states and territories. • The Commonwealth Child Safe Framework is amended to include a self-reporting requirement for Commonwealth non-corporate entities.
Source	Corporate Plan 2020–24, pp 15–18	
Result	On track	
Methodology	Evaluation through data analysis, stakeholder survey and case study	
Analysis	<p>PM&C is on track to achieving the measures and targets under this key activity. In 2020–21, the National Office for Child Safety (National Office) worked across governments and with non-government stakeholders to deliver on the performance measure and progress the targets.</p> <p>The National Strategy to Prevent and Respond to Child Sexual Abuse</p> <p>The National Strategy to Prevent and Respond to Child Sexual Abuse (National Strategy) will focus on preventing child sexual abuse in all settings, including in institutions, within families, and online. The National Strategy is a key recommendation from the Royal Commission into Institutional Responses to Child Sexual Abuse.</p> <p>The National Office is leading the design and implementation of the National Strategy in close consultation with state, territory and Commonwealth government agencies. Key stakeholders surveyed were positive about the National Office's work in leading the development of the National Strategy.</p>	

Key activity	Measure	Target
Analysis	<p>The National Office worked closely with the lead researchers of the Australian Child Maltreatment Study throughout 2021 to ensure robust evidence underpins the National Strategy's monitoring and evaluation framework.</p> <p>In April 2021, the National Office conducted an extensive consultation process, inviting more than 600 non-government stakeholders to participate to ensure the National Strategy's vision, objectives and values reflect the diverse needs and expectations of key population groups.</p> <p>In May 2021, the Prime Minister announced \$146 million in funding to deliver foundational measures under the National Strategy. Additional funding and measures will be announced when the National Strategy is launched.</p> <p>From 1 July 2021, the National Strategy will be endorsed by senior officials across Commonwealth, state and territory governments. It has commenced progression through ministerial clearances, and is on track to be publicly launched in late 2021.</p> <p>Nationally harmonised approach to child safety in organisations</p> <p>The National Principles for Child Safe Organisations (the Child Safe Principles) give effect to the child safe standards recommended by the Royal Commission into Institutional Responses to Child Sexual Abuse. They set out a nationally consistent approach to creating organisational cultures and practices that promote the safety and wellbeing of children in Australia.</p> <p>In line with recommendations from the Royal Commission, the National Office led discussions with state and territory governments to support the long-term goal of establishing a harmonised approach to implementing the Child Safe Principles. This work will be taken forward under the National Strategy.</p> <p>To support organisations across Australia to implement the Child Safe Principles in a consistent and culturally safe way, the National Office partnered with the Commissioner for Children and Young People Western Australia and the Secretariat of National Aboriginal and Islander Child Care – National Voice for Our Children to develop and publish information resources, including a poster, pamphlet, information booklet and 9-minute animated video.</p> <p>Commonwealth Child Safe Framework</p> <p>In 2020–21, the National Office consulted across Commonwealth agencies to revise the Commonwealth Child Safe Framework to improve accountability and transparency. Feedback from key stakeholders showed that, on average, stakeholders were positive about the National Office's support for ongoing implementation of the framework. The second edition of the framework was published in December 2020 (see the case study below).</p>	

The second edition of the Commonwealth Child Safe Framework

CASE STUDY

The Commonwealth Child Safe Framework sets minimum standards for Commonwealth entities to create and maintain a safe environment for children. The National Office for Child Safety (National Office) has overarching policy responsibility for the framework.

In 2019–20, Commonwealth entities completed voluntary self-assessment reports to inform the National Office’s review of the implementation of the framework. The review identified opportunities for Commonwealth entities to improve consistency and accountability for child safeguarding measures, and the National Office undertook to revise the framework.

In 2020–21, the National Office worked with Commonwealth entities to update the framework to include a new requirement and additional guidance to improve consistency and accountability under the framework. In December 2020, the National Office published the second edition of the framework, including a new requirement that all non-corporate Commonwealth entities publish an annual statement of compliance with the framework.

Commencing in 2021, all non-corporate Commonwealth entities will be required to publish their statement of compliance by 31 October each year. Stronger transparency and accountability expectations, as well as clearer implementation guidance, support entities to keep the children they engage with safe from harm. Improved transparency also supports the Commonwealth to demonstrate clear leadership to other governments and stakeholders on the critical goal of keeping children safe.

Following publication of the second edition of the framework, the National Office promoted the update across the Commonwealth.

Building on the successful publication and implementation of the second edition of the framework, the National Office is continuing to support entities with their ongoing implementation and will maintain oversight to identify and action any future updates required to the framework.

Results: Key Activity 3.8

Key activity	Measure	Target
Ensure the delivery of the Social Impact Investment (SII) Expert Panel's final report to Government.	The Final Report of the Social Impact Investing Taskforce is delivered within agreed timeframes to the satisfaction of the Prime Minister, the Assistant Minister to the Prime Minister and Cabinet, and key stakeholders.	<ul style="list-style-type: none"> • Reports are delivered to agreed deadlines. • Consultation with state and territory governments, the private, not-for-profit sectors, philanthropy, and relevant Commonwealth agencies is documented.
Source	Corporate Plan 2020–24, pp 15–18	
Result	Achieved	
Methodology	Evaluation through data analysis	
Analysis	<p>In 2020–21, PM&C achieved the targets under this key activity by supporting the delivery of the Social Impact Investing (SII) Expert Panel's final report to Government.</p> <p>The SII Expert Panel was tasked with developing a strategy for the Commonwealth role in the SII market, drawing on international, private sector and state and territory government experience. The strategy will identify a way forward for Commonwealth investments in social impact investing, including how it can provide additional solutions to address entrenched disadvantage, achieve measurable social impact and facilitate private capital investment in the SII market.</p> <p>The PM&C taskforce supported the SII Expert Panel in delivering the interim report to Government on 20 December 2019, within the agreed time frame.</p> <p>As part of the development of the final report, the taskforce consulted with over 273 individuals from 80 organisations from the private, not-for-profit and philanthropic sectors through roundtables, targeted consultations and workshops. In addition, the taskforce engaged with all state and territory governments and regularly consulted with Commonwealth agencies through a working group. The consultation was documented in a 15,000-word report which informed the final report.</p>	

Key activity	Measure	Target
Analysis	<p>The final report was originally due for delivery in mid-2020 but was delayed due to COVID-19 redeployments. The Prime Minister has written to the Chair of the SII Expert Panel thanking him for submitting the final report and indicating that the Government is considering the report's recommendations. The Assistant Minister to the Prime Minister and Cabinet, the Hon Ben Morton MP has also written to the Chair to thank him and the taskforce for their interim report.</p> <p>The SII Expert Panel was impressed with the taskforce's effort. When surveyed, they commended the PM&C team's professionalism, commitment, integrity and working relationship. All respondents agreed or strongly agreed with the following statements:</p> <ul style="list-style-type: none"> • The PM&C team has provided high-quality support to the panel, which has assisted the panel to develop its advice. • The PM&C team has facilitated the panel's engagement with Commonwealth ministers and advisors and key SII sector stakeholders, including the private and not-for-profit sectors; philanthropy; Commonwealth agencies; and state and territory governments. • The PM&C team has produced timely, high-quality and useful written work that has assisted the panel. • The PM&C team has supported the panel to produce a high-quality final report that meets panel expectations. • The PM&C team has managed communication and facilitated meetings well in the context of COVID-19 constraints and the temporary hibernation of the taskforce. <p>Panel members commented that the taskforce's work had been 'fabulous and the work effort nothing short of splendid'. They said that 'the resulting report with its practical and implementable set of recommendations is something we can all be proud of'.</p>	

Purpose 4

Enhancing Australia's international and national security

Summary

In 2020–21, PM&C achieved all 4 performance measures under Purpose 4. The detailed performance analyses and case studies below demonstrate PM&C's performance against each key activity, measure and target to support the purpose of enhancing Australia's international and national security.

Results: Key Activity 4.1

Key activity	Measure	Target
Support the Prime Minister's engagement with foreign counterparts in order to shape Australia's strategic environment and advance our national interest.	<p>The Prime Minister is supported to shape Australia's international environment and pursue the Government's agenda through timely, high-quality advice.</p> <p>Decisions in relation to foreign policy are made and implemented on the basis of Australia's national interest, and take account of a full range of social, economic and security equities.</p> <p>Implementation of commitments made by the Prime Minister to foreign leaders.</p>	<p>The Prime Minister is equipped to engage overseas counterparts, with a focus on:</p> <ul style="list-style-type: none"> · implementing the Government's top foreign policy priorities such as the Pacific Step-up · strengthening and elevating new and existing strategic and economic partnerships · advancing Australia's national interests in multilateral organisations and standard-setting bodies · delivering leader-level commitments by working in partnership with agencies from across the APS.

Source	Corporate Plan 2020–24, pp 20–22
Result	Achieved
Methodology	Case study, data analysis and stakeholder survey
Analysis	<p>PM&C achieved all measures under this key activity by providing high-quality support to the Prime Minister through a significantly increased volume of international engagements.</p> <p>In 2020–21, the Prime Minister undertook 3 overseas visits to Japan, New Zealand and the G7 Summit, with stops in Singapore, London and Paris (see the case study below).</p>

Key activity	Measure	Target
Analysis	<p>However, because of the challenges of international travel posed by COVID-19, the Prime Minister's in-person international engagement was restricted during this period. As a result, the Prime Minister carried out an unprecedented number of virtual leader-level engagements. With the support of timely and high-quality advice from International Division, the Prime Minister undertook around 140 virtual international engagements with foreign leaders to shape Australia's strategic environment and advance our national interests. This included advocacy with counterparts to support the election of Australia's candidate, Mathias Cormann, as the Secretary-General of the Organisation for Economic Co-operation and Development.</p> <p>These engagements focused on delivering Australian health and economic support to our Pacific family, strengthening and elevating new and existing strategic and economic relationships in the Indo-Pacific, and advancing our national interests through multilateral organisations and groups.</p> <p>Each of these engagements required close coordination with other agencies to bring together advice that reflected a whole-of-government position and took account of the full range of social, economic and security equities. The quality of the advice and support PM&C provided to the Prime Minister was evidenced by the highly positive response of external stakeholders surveyed.</p>	

Prime Minister's visit to Japan – the Japan–Australia Leaders' Meeting, 2020

CASE STUDY

In November 2020, the Prime Minister travelled to Japan to attend the annual Japan–Australia Leaders' Meeting. This was his first international travel since the outbreak of the COVID-19 pandemic.

International engagement remains vital to Australia's social, economic and security interests both at home and in the region. Australia and Japan are Special Strategic Partners and have a shared vision of an open, inclusive and prosperous Indo-Pacific, through leader-level engagement. This visit revitalised security, trade and economic ties for a new era against the backdrop of geostrategic change and COVID-19 recovery, and cemented a strong relationship with Japan's new Prime Minister.

PM&C led 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 interests. We worked with counterparts in Tokyo to determine COVID-safe procedures that enabled the Prime Minister to establish a warm working relationship with Prime Minister Suga and meet a range of other stakeholders. Australia and Japan reached in-principle agreement on a landmark defence treaty, the Reciprocal Access Agreement (RAA), which will further deepen the countries' strategic and security relationship. The RAA is Japan's first such agreement and opens new horizons in our Special Strategic Partnership.

The leaders also agreed to further cooperation on low-emissions technologies and economic security, creating a platform for enhanced engagement on these key Government priorities. This includes collaboration on space and cyber issues, digital and critical technologies, infrastructure (including 5G networks and submarine cables) and resource security (including the establishment of supply chains of critical minerals).

The joint statement from the leaders' meeting set out an ambitious roadmap for future cooperation. PM&C is working across government to take commitments forward and drive ambition for the Special Strategic Partnership before the next meeting, expected to take place in late 2021.

The Prime Minister's visit to Japan established an important COVID-safe model to inform future planning for the Prime Minister's international travel.

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; and • the Indo-Pacific. 	<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>	<ul style="list-style-type: none"> • PM&C's advice enhances the Government's delivery of national security. • PM&C ensures that a whole of government response is coordinated effectively during times of crisis.
Source	Corporate Plan 2020–24, pp 20–22	
Result	Achieved	
Methodology	Evaluation through data analysis, case study and stakeholder survey	
Analysis	<p>PM&C has achieved its targets under this key activity by effectively engaging with Commonwealth agencies to ensure delivery of the Government's national security priorities.</p> <p>In 2020–21, there was an increased focus on working with state and territory governments on national security issues, implementation of the Cyber Security Strategy following the Prime Minister's announcement, and pivoting resources to assist with the Government's response to COVID-19.</p> <p>PM&C provided dedicated support to the Prime Ministerial Special Adviser on Naval Shipbuilding, Professor Donald Winter, to advise on the efficient delivery of the naval shipbuilding program.</p> <p>Our engagement with external stakeholders has been effective and received positive feedback.</p>	

Establishment of the First Secretaries Group on National Security

CASE STUDY

The complex and rapidly changing security environment calls for a coordinated and joined-up approach by the Commonwealth and states and territories to address threats to Australia's national security.

The First Secretaries Group on National Security – which comprises secretaries of first ministers' departments – was created to address this. The objective of the group is to pursue a whole-of-nation approach to national security through regular high-level engagement with the states and territories.

In October 2020, PM&C developed a purpose statement in consultation with states and territories that committed the Commonwealth and jurisdictions to improved engagement on national security matters.

The Secretary of PM&C chaired quarterly meetings with secretaries of first ministers' departments that facilitated information sharing, including through briefings from heads of Commonwealth national security agencies.

PM&C facilitated a tabletop exercise in which participants discussed a cybersecurity incident impacting critical infrastructure. The exercise aimed to build understanding of existing frameworks, examine their effectiveness and clarify roles in cyber incident response.

The creation of this group has fostered greater awareness of Australia's most significant national security threats and increased states' and territories' understanding of national and sub-national security threats in order to respond to them. It has also provided opportunity for consultation on Commonwealth national security policy proposals that directly impact states and territories.

The exercise strengthened understanding between first secretaries on their responsibilities for managing and responding to cyber security incidents and highlighted the need to utilise existing architecture in crisis scenarios.

This activity demonstrates our achievement directly against the measure. It contributes towards ensuring that decisions in relation to national security matters are made and implemented in a way that increases Australia's national resilience to emerging threats. It helps ensure that a whole-of-government response during times of crisis is coordinated seamlessly.

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 2020 Defence Strategic Update and the associated Integrated Investment Program.	<ul style="list-style-type: none"> PM&C advice enhances the Government's delivery of Defence capability. The advice considers the views of all relevant stakeholders, including industry and the states and territories, where appropriate. The program is delivered to agreed deadlines.
Source	Corporate Plan 2020–24, pp 20–22	
Result	Achieved	
Methodology	Evaluation through stakeholder survey	
Analysis	<p>PM&C has achieved its measure and targets under this key activity by working closely with the Department of Defence (Defence) to support implementation of the 2020 Defence Strategic Update and delivering the associated Integrated Investment Program, which outlines and manages Defence's future investment in Australian Defence Force capability.</p> <p>Both the Defence Strategic Update and the Force Structure Plan (which incorporated an updated Integrated Investment Program) were successfully launched by the Prime Minister on 1 July 2020.</p> <p>PM&C worked with the Cabinet Secretary's office and Defence on an ongoing basis throughout the year to ensure the Government was presented with biannual updates on the implementation of the Integrated Investment Program. PM&C also worked closely with Defence on an ongoing basis throughout the year to ensure program risks, pressures and challenges to delivery were communicated.</p> <p>PM&C provided dedicated support to the Prime Ministerial Special Adviser on Naval Shipbuilding, Professor Donald Winter, to advise on the efficient delivery of the naval shipbuilding program.</p> <p>PM&C continues to receive positive feedback from senior Defence stakeholders about its involvement with the Defence Investment Committee and our level of support in implementing the Integrated Investment Program through the government committee process. Senior Defence stakeholders who were surveyed indicated a highly positive view of PM&C's performance.</p>	

Results: Key Activity 4.4

Key activity	Measure	Target
<p>Support the Prime Minister as chair of NSC to secure decisions and drive implementation of:</p> <ul style="list-style-type: none"> sovereign capabilities and countering foreign interference; cyber security refresh; strengthening protections for critical infrastructure; and implementation of the Government's highest foreign policy priorities, such as the Pacific Step-up. 	<p>A focused NSC agenda, with clear decision making and management processes and effective implementation of decisions.</p>	<ul style="list-style-type: none"> Quality of advice received supports the NSC agenda
Source	Corporate Plan 2020–24, pp 20–22	
Result	Achieved	
Methodology	Evaluation through data analysis and feedback	
Analysis	<p>PM&C achieved its target under this key activity, noting the ongoing and fluid nature of national security matters.</p> <p>While COVID-19 was a high priority in 2020–21, we supported the Prime Minister, as Chair of the National Security Committee (NSC), to make progress on key national security priorities unrelated to COVID-19.</p> <p>Over the past year, PM&C continued to deliver support for the NSC and NSC subcommittee meetings. We produced high-quality and timely minutes of those meetings.</p> <p>PM&C implemented streamlined processes, such as reporting and automated alerts through the CabNet+ system, to ensure timely and accurate advice is provided to key stakeholders to support the decision-making process.</p>	

Purpose 5

Governing well

Summary

PM&C achieved 11 and partially achieved one of the 14 performance measures under this purpose in 2020–21 and is on track to deliver the other 2 over the forward estimates. The detailed performance analyses and case studies below demonstrate PM&C's performance against each key activity, measure and target to support the purpose of governing well.

Results: Key Activity 5.1

Key activity	Measure	Target
Provide clear and actionable advice on significant legal risks for Government or ensure they are brought to Government's attention.	The Prime Minister and his office have timely and comprehensive visibility of significant legal risks for government as they emerge, including through collaboration with other areas of the Department, the Attorney-General's Department, and relevant portfolio agencies.	<ul style="list-style-type: none"> Significant legal risks for Government are identified or work with agencies is undertaken to make sure legal risks are properly drawn to Government's attention if not otherwise mitigated.
Source	Corporate Plan 2020–24, pp 25–28	
Result	Achieved	
Methodology	Evaluation through stakeholder survey and ministerial feedback	
Analysis	<p>PM&C achieved its target under this key activity by scrutinising new proposals to ensure that any legislative implementation requirements were identified and legal risk associated with implementation was included in advice to Government, and by engaging with relevant departments in providing clear advice to Government on whether proposals were supported by appropriate legal authority. The COVID-19 pandemic did not have a significant impact on PM&C's engagement on legal risk.</p> <p>The primary measure of PM&C's performance in this activity is stakeholder feedback and satisfaction. Those surveyed in the Department's external stakeholder survey indicated that PM&C's level of collaboration and whole-of-government perspective in providing clear and actionable advice on significant legal risks for the Government was positive. Informal feedback from the Prime Minister's Office suggests that PM&C has effectively identified legal risks and supported the Government with timely and helpful advice.</p>	

Results: Key Activity 5.2

Key activity	Measure	Target
Deliver high quality improvements and support for the CabNet+ system for the Cabinet and all customer agencies.	The new CabNet+ system supports ministers and departments to collaborate easily and ensures access to timely information.	<ul style="list-style-type: none"> • CabNet+ system and support model is operating effectively.
Source	Corporate Plan 2020–24, pp 25–28	
Result	On track	
Methodology	Evaluation through stakeholder engagement and feedback mechanisms	
Analysis	<p>PM&C is on track to achieve its measure and target under this key activity through stakeholder engagement.</p> <p>One-on-one engagement sessions have commenced (60% complete) with all whole-of-government stakeholders. This has provided useful feedback on current CabNet+ functional and future enhancements, shaping themes for discussion at whole-of-government workshops.</p> <p>CabNet+ whole-of-government senior user workshops were hosted in June 2021 to gather and prioritise future CabNet+ enhancements. This information will be collated and progressed as future system improvements, including the target of 5 system improvements resulting from this engagement.</p> <p>PM&C regularly receives additional feedback from users on issues and improvements. These are prioritised and added to the backlog of work for action. This ensures the team is delivering high-quality improvements and support for the CabNet+ system for the Cabinet and all customer agencies. It aligns with our Corporate Plan purpose of governing well.</p> <p>PM&C continues to manage the impact of external factors that negatively influence the project, specifically resulting from changes in Government priorities, ministerial or senior officials, the COVID-19 pandemic, National Cabinet and other unforeseen circumstances.</p>	

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.	<p>High-quality expert advice is provided to the Prime Minister on governance matters, including changes to the machinery of government and/or Ministry.</p> <p>Effective collaboration and coordination with relevant APS agencies on governance matters, including changes to the machinery of government.</p>	<ul style="list-style-type: none"> Changes to the machinery of government and/or Ministry are properly supported by sound advice.
Source	Corporate Plan 2020–24, pp 25–28	
Result	Achieved	
Methodology	Evaluation through case study and stakeholder survey	
Analysis	<p>PM&C achieved its target under this key activity by collaborating with the Prime Minister's Office, Government House, ministers' offices and multiple relevant government agencies to implement the changes to the ministry.</p> <p>This reporting period, PM&C supported the first ever virtual swearing-in ceremony.</p> <p>For each ministry change we developed a brief and accompanying suite of letters, legislative instruments and related advice to the Prime Minister, who in turn, provided further advice to the Governor-General.</p> <p>PM&C coordinated with Government House to arrange the logistics of the swearing-in ceremonies, which involved determining the preferences of the Governor-General with regard to how ministers would take and sign their Oath of Office in a virtual environment (see the case study below).</p> <p>Following swearing-in, PM&C arranged further necessary paperwork to operationalise the changes with relevant impacted agencies. As part of this, it communicated departmental liaison officer allocations and member of parliament staff allocation, arranged distribution of probity letters and ministerial standards, updated the Ministry List hosted on the PM&C website, and ensured these changes were reflected on the Australian Parliament House website.</p> <p>External stakeholders rated PM&Cs collaboration and quality of advice on machinery of government changes, ministry changes and other governance matters as 'very positive'. Ministerial feedback on the quality and timeliness of PM&C's advice on governance matters relating to the operation of the executive branch of government was also very positive.</p>	

Virtual swearing-in of the new ministry

CASE STUDY

On 22 December 2020, PM&C successfully supported the first ever virtual swearing-in ceremony of a new ministry. The ceremony was hosted by Government House in Canberra.

PM&C has well-established processes for ensuring high-quality and timely advice is provided to the Prime Minister of the day to support their decisions on ministry changes. This advice ensures that ministers are sworn in correctly and have the appropriate authority to exercise their powers – a necessary requirement for the proper functioning of the executive branch of government. The swearing-in ceremony itself is also a highly symbolic and significant occasion for the Government and the Australian people, calling for attention to detail at every stage to ensure its success.

Immediately following the Prime Minister's announcement, we mapped the changes and their impact on the existing ministry arrangements. This informed the preparation of the instruments of revocation and appointment; and oaths and affirmations to be signed by the Prime Minister and the Governor-General.

In light of the COVID-19 outbreak in New South Wales at the time, we worked quickly with our Government House colleagues to ensure the necessary IT facilities were available to support a virtual ceremony. A short technical rehearsal was scheduled before the official ceremony to ensure prospective ministers could dial in from locations all around Australia.

The ceremony also called for us to develop new protocol advice, outlining how ministers should take and sign their oath or affirmation in a virtual setting to the satisfaction of the Governor-General. These small but important details required frequent and ongoing liaison with the Prime Minister's Office, the Office of the Official Secretary to the Governor-General and ministers' offices in the lead-up to the official event.

On the day of the ceremony, for the first time in Australia's history 15 new members of the ministry were successfully sworn in by the Governor-General via a videoconference call. Through effective collaboration and sound advice, PM&C delivered a positive outcome within the time frame required by the Prime Minister and set an important precedent for the viability of virtual swearing-in ceremonies for the ministry.

Results: Key Activity 5.4

Key activity	Measure	Target
Advance Australia's interests through well-executed programs, including appropriate and effective use of technology, for the Prime Minister's overseas engagements, virtual summits, visits by Heads of State and Government and state occasions.	PM&C coordinates and delivers high-quality operational support for the Prime Minister's official overseas engagements, virtual summits, for Guests of Government visits and state occasions.	<ul style="list-style-type: none"> • The operational arrangements, including virtual meetings during the pandemic, for the Prime Minister's international outgoing visit program are delivered to a high standard. • The Guest of Government program for incoming visits is delivered to the satisfaction of our guests, the Prime Minister and the Governor-General. • Media management of official visits is delivered effectively, to the satisfaction of the Prime Minister and other key stakeholders.
Source	Corporate Plan 2020–24, pp 25–28	
Result	Achieved	
Methodology	Evaluation through case study and informal stakeholder feedback	
Analysis	<p>PM&C achieved the measure under this key activity to a high standard and within the agreed time frames as advised by the Prime Minister's Office.</p> <p>In 2020–21, due to the COVID-19 pandemic and the closing of international borders, the amount of international travel and the number of face-to-face Guest of Government visits decreased. This meant that PM&C needed to expand the virtual engagements platform to support 22 international engagements. This is a significant increase in comparison to the 2019–20 year, in which only 6 virtual engagements were held.</p> <p>PM&C demonstrated high-quality operational support and service delivery in the planning, coordination and delivery of the Prime Minister's visits, virtual engagements and state occasions. We coordinated and managed the delivery of complex logistical arrangements while complying with quarantine and COVID-safe practices, enabling successful policy outcomes and visits.</p> <p>PM&C has received messages of thanks from key stakeholders for the funerals, virtual engagements, events and visits we organised. This is an indication of a high degree of satisfaction with our performance in delivering these activities.</p>	

Official visits and events

CASE STUDY

In 2020–21, the Prime Minister undertook a number of important overseas visits to participate in multilateral forums and to further enhance Australia's bilateral relationships. There was a strong focus on virtual engagements given that the COVID-19 pandemic closed international borders and paused international travel and Guest of Government visits.

PM&C delivered high-quality operational support in the planning, coordination and delivery of the Prime Minister's visits, virtual engagements and state occasions, within a complex COVID-19 environment. To accomplish this, risk assessments, COVID-safe practices, comprehensive procedures and multifaceted quarantine arrangements were created, implemented and managed. This enabled the program to be delivered efficiently and demonstrated logistical proficiency.

PM&C successfully supported a total of 3 prime ministerial overseas visits to 5 nations over the course of 13 days. Due to the COVID-19 pandemic, these visits involved complex quarantine coordination arrangements.

The Prime Minister visited:

- Japan (16–18 November 2020) (see the case study for Key Activity 4.1)
- New Zealand (30–31 May 2021)
- Singapore (10 June 2021)
- United Kingdom (G7) (11–15 June 2021)
- France (15–17 June 2021).

PM&C also successfully delivered the incoming Guests of Government program. We managed a visit to Australia by the Governor-General of New Zealand.

This year PM&C effectively managed 22 bilateral or multilateral virtual engagements, including with Heads of Government and Heads of State.

This was a significant increase on last year's figures. The engagements were:

- Fourth, Fifth, Sixth, Seventh and Eighth Smart COVID-19 Management Leaders' Meetings
- Australia–Japan Leaders' Virtual Meeting
- Australia–Papua New Guinea Leaders' Virtual Summit and Signing Ceremony

- Virtual Summit on International Assistance and Support to Beirut and the Lebanese People
- Australia–Thailand Virtual Meeting and Signing
- ASEAN and East Asia Virtual Summit
- 2020 APEC Economic Leaders' Virtual Meeting hosted by Malaysia
- G20 Virtual Leaders' Summit
- Prime Minister's Virtual Acceptance of the Inaugural Grotius Prize, Keynote Address and Q&A
- European Union – Australia Leaders' Meeting
- Australia–Netherlands Virtual Leaders' Talks
- Pacific Islands Forum High Level Roundtable on Urgent Climate Change Action
- Australia–Vietnam Annual Leaders' Meeting
- First Australia–Malaysia Annual Leaders' Virtual Meeting
- Pacific Islands Forum Special Leaders' Retreat
- Australia–Norway Leaders' Virtual Meeting
- Virtual Quad Leaders' Meeting
- Leaders' Summit on Climate.

The virtual engagements achieved their aim of deepening cooperation between Australia and other nations.



The Prime Minister, the Hon Scott Morrison MP, and the Minister for Foreign Affairs, Senator the Hon Marise Payne, participating in the historic meeting with India, the United States, Japan and Australia from the Cabinet Room at the Commonwealth Parliament Offices in Sydney – the first ever Virtual Quad Leaders Meeting, 13 March 2021. Photo credit: Adam Taylor

PM&C successfully delivered a range of events in support of the Prime Minister, including:

- collaboration across governments in the establishment of the National Federation Reform Council meetings and related events in Canberra
- a reception for the national finalists for the Australian of the Year Awards.

Adhering to COVID-safe practices, PM&C also coordinated state memorial and state funeral services for:

- the Right Honourable Doug Anthony AC CH (in Tweed Heads, NSW)
- Major General the Honourable Philip Michael Jeffery AC AO (Mil) CVO MC (Retd) (at Duntroon, ACT)
- the Honourable Susan Ryan AO (in Sydney, NSW).

PM&C led the high-quality operational and logistics delivery of these events, all of which ran smoothly and were the subject of significant media coverage. Key stakeholders provided positive feedback on the quality of service that PM&C delivered in managing these visits, events and virtual engagements.

Results: Key Activity 5.5

Key activity	Measure	Target
Ensure the department as an organisation is fit-for-purpose and ready to perform our functions in line with relevant standards and best practice to support the Prime Minister, Portfolio Ministers, their offices and the executive.	Timely registration and actioning of ministerial correspondence.	<ul style="list-style-type: none"> Ministerial correspondence is: <ul style="list-style-type: none"> registered within 5 working days then actioned with the standard timeframes – VIP priority within 5 working days; VIP and organisations within 10 working days; general representation within 20 working days. Draft speeches are prepared to the satisfaction of the Prime Minister and his office, and the offices of Portfolio Ministers. Websites are compliant with security, accessibility and user experience standards.
Source	Corporate Plan 2020–24, pp 25–28	
Result	Partially achieved	
Methodology	Evaluation through case study, data analysis and informal stakeholder feedback	
Analysis	<p>PM&C partially achieved the measure under this key activity.</p> <p>Ministerial correspondence</p> <p>In 2020–21, similar to 2019–20, PM&C experienced a sustained surge in the quantity of incoming ministerial correspondence. From 1 July 2020 to 30 June 2021, PM&C received 151,004 pieces of correspondence.</p> <p>Of the 151,004 items of ministerial correspondence received, 140,434 (93%) were registered within the target of 5 working days.</p> <p>Draft speeches</p> <p>In 2020–21, PM&C’s speechwriters achieved their target by delivering timely and high-quality speechwriting support. There was an increase in the number of speech requests on the previous year – particularly video scripts – while the number of written messages remained steady. Feedback from stakeholders was strongly positive (see the case study below).</p>	

Key activity	Measure	Target
Analysis	<p>Websites</p> <p>In 2020–21, PM&C achieved its target of securing all websites within specified time frames:</p> <ul style="list-style-type: none"> • 100% of websites requiring security patching were actioned in the specified time frames throughout the year when updates were issued • achieving this measure ensured the Department's websites maintain the highest possible security settings so our communications platforms are fit for purpose and performing optimally. <p>PM&C aims to meet WCAG 2.0 accessibility standards where possible across the entire website. The author of content, rather than the Ministerial Support Division (MSD), is responsible for meeting accessibility standards. MSD performs an advisory role and assists with making recommendations and changes to the highest standard possible.</p> <p>Accessibility checking was undertaken on all reports and documents loaded to the PM&C website. Accessibility modifications were undertaken to an acceptable standard and when time allowed. The addition of a third website developer has ensured our time frames are met consistently. Specific data-driven requirements of policy areas and quick launch time frames have impacted the Department's ability to meet accessibility standards on all published communications.</p>	

Speechwriting during a pandemic

CASE STUDY

Like many other teams in PM&C, the speechwriting team's work changed significantly as a result of the COVID-19 pandemic.

The Prime Minister and other portfolio ministers gave more speeches for virtual engagements and on video than ever before – requests for these products more than doubled in 2020–21. As a result, the speechwriting team adapted by adjusting the length, tone, structure and style of the speeches they drafted to suit virtual and video formats.

The speeches were delivered in a wide variety of forums, from international leaders' meetings and national conferences to local, community-based online gatherings. While the geography of the speech program contracted, the scope and volume of speeches delivered by the Prime Minister and portfolio ministers during this pandemic year expanded.

There was also a new narrative arc that encompassed almost every speech the Prime Minister gave – whatever the audience or topic, the context was COVID-19.

The team supported the Prime Minister and portfolio ministers to deliver critical information to Australians. Consistent positive feedback was received from key stakeholders on the quality and timeliness of the team's work.

Results: Key Activity 5.6

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.	<ul style="list-style-type: none"> Reforms are delivered within agreed timelines informed by the views of stakeholders and the data sharing framework is adopted by stakeholders.
Source	Corporate Plan 2020–24, pp 25–28	
Result	On track	
Methodology	Evaluation through stakeholder survey, data analysis and case study	
Analysis	<p>PM&C is on track to meet its measure and target under this key activity by working to establish data sharing reforms.</p> <p>In 2020–21, the Office of the National Data Commissioner (ONDC) made substantial progress on the Data Availability and Transparency Bill 2020 and measures related to the Bill's implementation. Once passed, the Bill will create a safe, accountable and transparent framework for government agencies to share public sector data.</p> <p>In 2020–21, the ONDC publicly consulted on an exposure draft of the Bill, including swiftly pivoting to digital tools to engage with stakeholders on important policy changes underpinning the Bill.</p> <p>The then Minister for Government Services, the Hon Stuart Robert MP, introduced the Bill to Parliament on 9 December 2020, consistent with his preferred timelines.</p> <p>After the introduction of the Bill, the ONDC supported Minister Robert in responding to issues raised by, and in submissions made to, parliamentary committees considering the Bill (including a public inquiry by the Senate Finance and Public Administration Legislation Committee).</p> <p>The ONDC undertook user research on the needs of stakeholders as part of the discovery process to inform its digital services platform known as Dataplace. The ONDC also undertook stakeholder research to inform a redevelopment of its website to better support and inform agencies, organisations and the public about data sharing under the Bill.</p> <p>The ONDC also convened 3 virtual meetings of the National Data Advisory Council during the reporting period to advise the interim National Data Commissioner on community expectations, technical best practice and industry developments on data use.</p> <p>PM&C's annual stakeholder survey showed that both internal and external stakeholders consider that the ONDC has been effective in undertaking its key activities.</p>	

Consultation on the Data Availability and Transparency Bill 2020 during the COVID-19 pandemic

CASE STUDY

The Australian Government is committed to ensuring that the reforms to the availability of and access to public sector data remains fully informed by stakeholder views despite disruption to traditional consultation methods during the COVID-19 pandemic.

Meeting the expectations of stakeholders will ensure reforms to public sector data are trusted.

From September 2020 to November 2020, the Office of the National Data Commissioner (ONDC) in PM&C undertook public consultation on an exposure draft of the Data Availability and Transparency Bill 2020. It received 88 submissions from government agencies, the research sector, private enterprise and civil society. Consultation occurred through a webinar, numerous discussions with stakeholder groups, speaking engagements, a series of workshops on accreditation, paid digital advertising and other digital content.

Feedback received through the exposure draft process was incorporated into the Bill introduced to the Parliament in December 2020.

This consultative approach to Bill development has helped maintain public trust in the data reforms, including the ability to institute a national regulator to oversee the scheme when passed. A trusted data sharing scheme will embed safe practices that could lead to better informed government policy and programs, improved government service delivery, and innovative research and development activities.

The consultation process was rated highly by participants and allowed the ONDC to confidently respond to the concerns and queries raised in relation to the exposure draft of the Data Availability and Transparency Bill ahead of parliamentary consideration. The ONDC continues to use feedback to inform the development of supporting materials to implement the data sharing scheme under the Bill.

The consultation process enabled the Minister to introduce effective data sharing legislation that meets the needs and expectations of a number of stakeholder groups. This will enable the new public sector data sharing scheme to support the delivery of outcomes that improve the lives of all Australians.

Results: Key Activity 5.7

Key activity	Measure	Target
Ensure Australia's honours system appropriately recognises worthy Australians.	<p>Timely advice on the administration of Australia's honours system is provided to the Prime Minister, 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 administration of awards. 	<ul style="list-style-type: none"> Maintain the reputation and integrity of Australia's honours system.
Source	Corporate Plan 2020–24, pp 25–28	
Result	Achieved	
Methodology	Evaluation through case study	
Analysis	<p>PM&C achieved the measure and target under this key activity by providing expert advice and collaboration with the Office of the Official Secretary to the Governor-General and with the Department of Defence to ensure Australia's honours system has integrity and is responsive to the needs of the Australian community.</p> <p>During this period PM&C provided advice to the Government on the establishment of a new Australian Sports Medal; a National Emergency Medal to recognise responders to the 2019–2020 bushfires; and an honour roll to specially recognise honours recipients who made significant contribution to the nation's COVID-19 response and recovery (see the case study below).</p> <p>A communication campaign raised public awareness on how to nominate someone for an honour for exceptional work in Australia's COVID-19 response. In the Queen's Birthday 2021 Honours List, 63 recipients were recognised for their service responding to COVID-19.</p> <p>PM&C successfully provided secretariat support to the Australian Government Public Service Medal Committee. In 2020–21, 30 Public Service Medals were awarded to Australian Government public servants; and 13 of those were women. PM&C also supported the Government and Commonwealth members of the Order of Australia Council, the National Emergency Medal Committee and the Australian Bravery Decorations Council.</p>	

Honouring significant COVID-19 related contributions

CASE STUDY

On 24 January 2021, the Prime Minister announced a dedicated COVID-19 honour roll to recognise those who contribute outstanding achievement and service to the nation's pandemic response and recovery.

The Government wanted an appropriate mechanism to acknowledge Australians who make exceptional contributions to the COVID-19 response and recovery.

On recommendation by PM&C, the Governor-General and the Prime Minister created an ongoing digital honour roll for COVID-19 recognition, hosted on the Governor-General's website. The Governor-General recorded a message encouraging nominations, and PM&C coordinated a social media campaign to highlight the call for nominations and inform the public about application and eligibility requirements. COVID-19 honours recognition details are published on both the Governor-General's and the Prime Minister's websites, as well as on the PM&C website and PM&C's LinkedIn and Twitter channels.

Already, more than 60 people have been named in the COVID-19 honour roll for their contribution to Australia's pandemic response and recovery.

The COVID-19 honour roll gathers stories of the contributions made by inspirational Australians during the pandemic so that they can be shared and celebrated across the country. The Australia Day and Queens Birthday 2021 Honours Lists are the first lists to recognise recipients for their support for Australia's response to and recovery from the global COVID-19 pandemic. The COVID-19 honour roll ensures lasting recognition for the exceptional service that has kept the country going through this tough and unprecedented period.

Establishing the COVID-19 honour roll supports PM&C's purpose by demonstrating the relevance and utility of the Australian honours system to enable the country to acknowledge significant service to countering the COVID-19 pandemic and enabling Australia's economic recovery.

Results: Key Activity 5.8

Key activity	Measure	Target
Support reforms to accelerate APS digital transformation; and drive APS capability development and planning.	PM&C enables whole-of-government collaboration to facilitate good policy development including by coordinating and influencing data activities across agencies and data sharing activities.	<ul style="list-style-type: none"> • Data is shared across Commonwealth and state government agencies to support policy development and service delivery. • The data capability of Australian Government agencies matures through coordinated and influential action. • APS employees participate in behavioural insights capability programs.
Source	Corporate Plan 2020–24, pp 25–28	
Result	Achieved	
Methodology	Evaluation through case study and data analysis	
Analysis	<p>PM&C achieved its targets under this this key activity.</p> <p>Data sharing to support policy development and service delivery</p> <p>In 2020–21, PM&C collaborated with Commonwealth and state and territory government agencies to improve data sharing and use across jurisdictions.</p> <p>PM&C supported 5 meetings of Data and Digital Ministers to progress 7 national priority projects. Projects include a national all-hazards service project for fires, floods and cyclones, and a life event project to enable easier access to health and other services following the birth of a child.</p> <p>The sharing of Commonwealth employment-related data with states and territories supports jurisdictions to deliver targeted employment programs. In 2020–21, PM&C facilitated multijurisdictional access to linked JobKeeper, JobSeeker, Single Touch Payroll and social services payments data, resolving data gaps and ensuring consistent analysis.</p> <p>A data sharing intergovernmental agreement between the Commonwealth and states and territories was signed by all leaders at National Cabinet on 9 July 2021. The agreement embeds national data sharing reforms and develops a culture of facilitating data sharing.</p>	

Key activity	Measure	Target
Analysis	<p>Data capability of Australian Government agencies matures through coordinated and influential action</p> <p>PM&C coordinates whole-of-government data activities, overseen by the Deputy Secretaries Data Group, the Data Champions Executive (SES officers in leading data roles from 8 agencies), and the broader Data Champions Network (typically SES officers from approximately 50 agencies).</p> <p>In 2020–21, PM&C supported these agencies to deliver on whole-of-government projects including on the open data agenda, Indigenous data, using data to respond to national crises, data literacy and communication, collaboration in metadata management, and SES accountabilities for data.</p> <p>APS employees participate in behavioural insight capability programs</p> <p>In 2020–21, more than 2,600 APS employees participated in the Behavioural Economic Team of the Australian Government (BETA) behavioural insights capability programs.</p> <p>APS employees developed behavioural insight capability by completing training courses, attending presentations, participating in workshops, completing an e-learning course and behaviour discovery tool, and liaising through their peer networks.</p> <p>BETA ran a competitive process for emerging APS leaders to join the Behavioural Insights Champions' Network (BICN). The BICN is designed to increase behavioural insights capability across the APS enterprise. It is running from 2020 to 2022 with around 100 staff from 38 APS agencies. BETA also leads the Behavioural Insights Practitioners' Network, which is designed to develop capability within APS behavioural insights teams.</p>	

Cross-jurisdictional data sharing to support policy development and service delivery

CASE STUDY

Throughout 2020–21, the Commonwealth worked closely with state and territory governments to significantly increase the volume and value of cross-jurisdictional data sharing to support the COVID-19 response and economic recovery.

PM&C sought to deliver high-value cross-jurisdictional data sharing while improving data sharing capability and practices. This work supports PM&C's commitment to:

- share data to deliver vital programs and services to Australians
- develop productive relationships between state, territory and Commonwealth governments
- coordinate and shape policy across the Australian Government.

PM&C supported jurisdictions and data custodians to unlock valuable data across a range of priority areas such as employment, education, social services and health.

PM&C negotiated for mutually beneficial outcomes and reciprocal data access between jurisdictions, initially focusing on emergency data needs. PM&C then identified and took action to resolve longstanding data sharing barriers, building relationships between custodians to improve trust across the data-sharing system.

PM&C helped jurisdictions access 15 priority datasets to support COVID-19 response and recovery. The data shared between jurisdictions provided decision makers with a more complete national picture of the COVID-19 crisis and impacts of government interventions. Shared data also allowed governments to better target economic support where it was needed.

PM&C's approach of unlocking data with all jurisdictions where possible has ensured benefits can be realised widely.

PM&C built strong partnerships and networks with data practitioners across all governments, which fostered a transition toward data sharing across jurisdictions by default rather than by exception.

The profile of data sharing has increased nationally, and PM&C is driving the next phase of intergovernmental data sharing.

The success and impact of increased data sharing resulted in national support for a broader intergovernmental agreement to share data by default where it can be done safely, securely and lawfully.

Results: Key Activity 5.9

Key activity	Measure	Target
Draw on structured policy analysis, agile project management methods and behavioural insights to deliver policy projects.	Contribute to the delivery of the Government's key priorities through the application of behavioural economics and rigorous evaluation.	· 15 advisory and evaluation projects completed.
Source	Corporate Plan 2020–24, pp 25–28	
Result	Achieved	
Methodology	Evaluation through case study and data analysis	
Analysis	<p>PM&C achieved its target under this key activity. In 2020–21, the Behavioural Economic Team of the Australian Government (BETA) and the Policy Projects and Taskforce Office (PPTO) continued to make contributions to the Government's key priorities through the application of behavioural insights (BETA), agile project methodology and structured policy advice (PPTO).</p> <p>To safeguard Australia from COVID-19, BETA contributed to the development of a 2-part practical guide for returning travellers who are entering Australia's hotel quarantine program (see the case study below).</p> <p>In line with Recommendation 32 of the Independent Review of the Australian Public Service, the Chief Operating Officers Committee commissioned the PPTO to consult and build a suite of best-practice guidance for setting up, running and closing down taskforces across the APS enterprise. Using agile project methodologies, the PPTO led consultations and developed a toolkit with user-centred advice, templates and resources for taskforces which launched on the Australian Public Service Commission (APSC) website in February 2021.</p> <p>PM&C exceeded its target for advisory and evaluation projects set under this key activity. Projects included the design, delivery and rigorous evaluation of behavioural insights in government policy and the use of structured policy analysis and agile project management methods to deliver expert policy advice on a range of Government priorities.</p>	

Hotel quarantine preparedness guide

CASE STUDY

Australia's hotel quarantine program plays an important role in keeping Australia safe from COVID-19. The success of the program relies on achieving and maintaining best-practice standards.

The Halton National Review of Hotel Quarantine identified that some travellers are not psychologically prepared for hotel quarantine and that more could be done by the Australian Government to support people's wellbeing by better preparing them for the experience.

In response to this, the Behavioural Economic Team of the Australian Government (BETA) developed a 2-part practical guide for returning travellers entering hotel quarantine. The information supports the wellbeing of returning travellers and psychologically prepares them for hotel quarantine with practical guidance. BETA developed the guide in consultation with a wide range of stakeholders, including hotel quarantine facility managers, psychologists, relevant state and territory and Australian Government agencies and the National COVID-19 Coordination Commission. BETA user-tested the products with travellers who had recently undergone quarantine.

The guide was made available to the public on the Australian Government Department of Health website. It was promoted via Smartraveller and the Department of Home Affairs website, and in emails from the Department of Foreign Affairs and Trade to registered Australians interested in returning to Australia.

Since publication in November 2020, the guide has been downloaded over 55,500 times and has received positive feedback. Travellers have made positive comments on social media, and the Department of Foreign Affairs and Trade has supported efforts to customise the materials for incoming seasonal workers undergoing hotel quarantine.

Results: Key Activity 5.10

Key activity	Measure	Target
Provide high quality support and advice to the National Cabinet and the National Federation Reform Council.	High quality support provided to the National Cabinet and the National Federation Reform Council.	<ul style="list-style-type: none"> Operational support model is defined and supporting processes and systems are in place.
	Operational and support services to support meetings of Cabinet and committees are managed and delivered to a consistently high standard.	<ul style="list-style-type: none"> Clear decision making and management processes and effective implementation of decisions. Stable technology to support virtual meetings, with greater than 95 per cent of meetings successful.
Source	Corporate Plan 2020–24, pp 25–28	
Result	Measure 1: Achieved	
	Measure 2: Achieved	
Methodology	Evaluation through data analysis	
Analysis	<p>PM&C achieved its targets under this key activity by providing high-quality support to the National Cabinet and the National Federation Reform Council.</p> <p>For example, in 2020–21 we:</p> <ul style="list-style-type: none"> clearly defined an operational support model for the National Cabinet, and put in place supporting processes and systems ensured clear decision-making and management processes and effective implementation of decisions. <p>Since the National Cabinet was established in April 2020, PM&C has provided high-quality support for 43 National Cabinet meetings, as well as the inaugural National Federation Reform Council meeting on 11 December 2020 comprising all First Ministers and Treasurers and the President of the Local Government Association.</p> <p>PM&C successfully supported the establishment of 6 National Cabinet Reform Committees (NCRCs), including development of operating protocols and regular reporting mechanisms.</p> <p>We drafted standard operating procedures based on collective experience from the NCRC meetings. We successfully provided external guidance to secretariats and we regularly organised bilateral meetings between PM&C and secretariats.</p> <p>During 2020–21, PM&C delivered consistent, high-quality technology support to the National Cabinet and the National Federation Reform Council. Providing stable technology to support these virtual meetings is critical to ensure timeliness and avoid disruptions. We successfully supported all meetings to achieve this target.</p>	

Results: Key Activity 5.11

Key activity	Measure	Target
Monitor and report on the implementation of Government priorities.	High quality quantitative and qualitative data provided to the Prime Minister on the status of priorities.	• Quarterly and biannual report to the Prime Minister.
Source	Corporate Plan 2020–24, pp 25–28	
Result	Achieved	
Methodology	Evaluation through milestone delivery and data analysis	
Analysis	<p>PM&C achieved its target under this key activity.</p> <p>In October 2020, PM&C became responsible for supporting the newly established Policy Implementation Committee (PIC) of Cabinet. The PIC provides regular strategic oversight of implementation of Government initiatives and deep dives into selected policies to pinpoint implementation blockages or risks. PM&C supports PIC by working closely with line agencies to ensure the materials considered by PIC provide a frank assessment and facilitate informed discussion of the key implementation risks of an initiative.</p> <p>PM&C also delivered quarterly reporting on the delivery of all election commitments and measures announced in budget updates (for example the Budget and MYEFO). These reports were delivered within the time frame expected by the Prime Minister's Office. They cover commitments across all portfolios, with high-level descriptions for each commitment. The timing of biannual reporting to the Prime Minister has shifted to better align with implementation of the Budget.</p> <p>PM&C has completed projects to foster solutions both internal to the public service and for broader public consumption. During the peak of the COVID-19 pandemic, PM&C's Cabinet Division teamed up with the Disaster Preparedness and Recovery Branch to develop repeatable analysis and charts that gave the Prime Minister up-to-the-minute information about the domestic and global impact of COVID-19. Twice-daily COVID-19 briefings were critical in supporting the fast decision making required during the pandemic.</p>	

Results: Key Activity 5.12

Key activity	Measure	Target
Drive development and delivery of practical reform actions that support the APS to respond to the ongoing crisis and Australia's recovery from COVID-19, including the implementation of reforms within agencies.	Reforms agreed by the Secretaries Board are implemented and improve APS capability.	<ul style="list-style-type: none"> Greater than 80% of initiatives delivered or on track with regular monitoring and reporting of impact measurement to the Secretaries Board.
Source	Corporate Plan 2020–24, pp 25–28	
Result	Achieved	
Methodology	Evaluation through data analysis	
Analysis	<p>PM&C achieved its measure and target under this key activity. The APS Reform Office (ARO) works with partners across the APS enterprise to deliver initiatives identified in the Government's APS reform agenda, <i>Delivering for Australians</i>, and in response to the COVID-19 crisis to support recovery.</p> <p>The ARO reports that in 2020–21, 44 of 50 initiatives (88%) contained in the Government's reform agenda were achieved (the initiative has transitioned to a business-as-usual function or reached a concluding point) or on track (stakeholder engagement, design and implementation of actions are underway). Six remaining initiatives are under exploration to ensure viability and relevance given the changing environment. For the purposes of reporting, the scope of APS reform has been limited to the 50 initiatives identified in the Government's APS reform agenda.</p> <p>In 2020, key examples of APS reform initiatives included the establishment of the APS enterprise surge reserve; embedding the HR, data and digital professions; standing up the Chief Operating Officer Committee; Secretaries Board scenario planning; and architecture to track policy implementation.</p> <p>Over 2021, PM&C has undertaken work to ensure effective prioritisation and continued implementation of enterprise reforms that support immediate and medium-term responses while we continue to build the longer term capability of the APS enterprise. The ARO is contributing to the development of impact measurement for the Secretaries Board by developing metrics to measure the impact of the Secretaries Digital Committee, the approach to program delivery and the Australian Public Service Commission workforce strategy outcomes.</p> <p>Tracking of APS reform actions will continue throughout 2021 to ensure impact remains tangible and actions taken are responsive to need.</p>	

Results: Key Activity 5.13

Key activity	Measure	Target
Ensure the Department has the capacity and capability to respond to a rapidly changing operating context through the development of an agency-wide workforce strategy including reference to APS Reform and talent and succession planning.	The workforce strategy is developed and implemented.	<ul style="list-style-type: none"> The strategy is delivered by 29 January 2021.
Source	Corporate Plan 2020–24, pp 25–28	
Result	Achieved	
Methodology	Evaluation through milestone delivery	
Analysis	<p>PM&C achieved its measure and target under this key activity.</p> <p>Following robust consultation and research, the PM&C Workforce Strategy was developed and endorsed by the Chief Operating Officer on 29 January 2021. The PM&C Workforce Strategy identifies 3 objectives to ensure the PM&C workforce is strongly positioned for the future, ensuring the right people are in the right roles at the right time.</p> <p>Ready – we are nimble and prepared.</p> <p>Together – we work in partnership.</p> <p>Enriched – we build capability through experience and targeted development.</p> <p>Implementation of Phase One of the PM&C Workforce Strategy Action Plan commenced in February 2021. Phase One actions addressed career pathways and targeted capability development, resourcing readiness and improved workforce planning. These actions were prioritised based on their predicted impact and alignment to our identified future workforce objectives.</p>	



Purpose 6

Preparing well to respond to critical issues

Summary

PM&C achieved one and partially achieved one of the 6 performance measures under this purpose in 2020–21 and is on track to deliver the other 4 over the forward estimates. The detailed performance analyses and case studies below demonstrate PM&C's performance against each key activity, measure and target to support the purpose of preparing well to respond to critical issues.

Results: Key Activity 6.1

Key activity	Measure	Target
Establish a greater capability to anticipate and establish a rapid and ready response capability.	PM&C has an action plan to anticipate and stand up taskforces to manage critical issues as they arise.	<ul style="list-style-type: none"> Taskforce functions responding to critical issues have strong governance and are resourced appropriately to enable a rapid on the ground response for the community.
Source	Corporate Plan 2020–24, pp 30–31	
Result	On track	
Methodology	Evaluation through case study, milestone delivery and informal stakeholder feedback	
Analysis	<p>PM&C is on track to achieving the measure and target under this key activity over the forward estimates.</p> <p>Since its inception in February 2021, Taskforce Coordination Support (TCS) has been developing a practical active governance framework to support the establishment of new taskforces within PM&C.</p> <p>TCS has implemented an accepted process for conducting an initial workshop as part of the standard start-up process for a new taskforce. This is central to the success of this capability. The objective of the workshop is to seek to understand taskforce desired outcomes and deliverables, establish agreed evaluation measures and undertake a risk assessment. This process assists with identifying key stakeholders required for ongoing consultation and advice. TCS will provide regular guidance throughout a taskforce life cycle to go through the checklists and monitor changes to scope and objectives.</p> <p>To streamline ongoing consultations, TCS established a network of key stakeholders that includes representatives from all PM&C enabling services. The network will keep the flow of communication open on possible and emerging taskforces to ensure prompt action and responses when required. Ongoing commitment to this network will ensure existing departmental frameworks, controls and systems are leveraged as far as practical to support future taskforces.</p> <p>TCS will institute a standard handover process as part of the wind-up for each taskforce. This will include an exit interview with key criteria to ensure that a comprehensive wrap-up and handover is undertaken that covers staff off-boarding, compliance with financial management requirements and accessibility of records; and ensuring legacy documentation is managed appropriately. This process will capture metrics for ongoing performance evaluation for the TCS to understand lessons learned, with feedback to be incorporated into continued review and improvement of checklists and processes.</p> <p>Ongoing commitment to this function will ensure TCS can further implement new processes to successfully achieve this performance measure.</p>	

Taskforce coordination support

CASE STUDY

Taskforces have become a dynamic method of achieving outcomes across the APS enterprise, particularly in PM&C. Taskforces are regularly established within PM&C to meet emerging or high-profile Government priorities. Some are short term (3–6 months) and some longer term (1–3 years), but all require dedicated focus and varying timescales, set-up and delivery resourcing and effort from many parts of PM&C and more broadly across the APS enterprise.

Taskforce Coordination Support (TCS) was established in early 2021 following endorsement from the Executive Board to provide support to taskforces by:

- providing a 'one stop shop' for new taskforces and PM&C enabling services to support incoming taskforce executive and team members for seamless start-up and wind-up of taskforces
- facilitating good governance practice in line with PM&C policies promoting compliance with legislative obligations.

Since its establishment TCS has provided assistance and advice to a number of taskforces in varying stages of start-up and wind-up of operations.

A central taskforce coordination hub is in its early stages of development to assist taskforces with collaboration across enabling services and to improve record-keeping. The team has been integral in leveraging digital solutions to further refine and simplify taskforce establishment and wind-up.

The TCS function mitigates several strategic and operational risks to PM&C and is in line with Australian National Audit Office and internal audit health check recommendations that good governance of taskforces is a key requirement for accountability.

Consultation across PM&C enabling service teams has indicated strong support for this central coordination function, as it is anticipated to ease pressure and workload in relation to new taskforce requests.

Taskforces that have received assistance from TCS have provided favourable feedback in relation to the benefits of the function and have offered support to give weight to further development of the function. Established checklists, templates and tailored/facilitated guidance through known 'sticking points', facilitating connections between key PM&C and taskforce stakeholders, and efficiencies gained through use of a central coordination hub are all benefits that have received positive feedback to date.

Informal feedback from stakeholders has been consistently positive, with recognition that this is a much-needed initiative. A recent review showed that identified issues were being addressed by TCS. As this function is in its first year, the team is in the process of developing tools to establish measurable performance targets with methods to capture data in relation to tracking wind-up activities such as staff off-boarding, contract closure and complete handover documentation, including accessible wind-up briefing about measurable activities.

Ongoing implementation of the TCS will provide increased efficiencies and risk mitigation through coordinated communications guidance, assistance through established checklists and processes, and reduction of duplication across PM&C enabling services. The TCS will develop specialised skills and resources for a range of scenarios relating to establishment of taskforces delivering key Government priorities.

Results: Key Activity 6.2

Key activity	Measure	Target
Support the Government as new priorities arise by responding quickly and flexibly in establishing robust governance arrangements and functions with appropriate resourcing.	Commonwealth whole-of-government coordination, resource mobilisation and support to state and territory jurisdictions during times of crisis are effective.	<ul style="list-style-type: none"> The Government introduces improved architecture that better enables the timely delivery of support to jurisdictions in times of crisis.
Source	Corporate Plan 2020–24, pp 30–31	
Result	Achieved	
Methodology	Evaluation through data analysis and milestone delivery	
Analysis	<p>PM&C achieved the target under this key activity.</p> <p>During 2020–21, PM&C worked with agencies from across government to ensure the Commonwealth is prepared for, and able to effectively respond to, all types of crisis events. PM&C reported on a daily basis to the Prime Minister, preparing more than 600 reports on the COVID-19 pandemic.</p> <p>PM&C worked with the Department of Home Affairs to develop 2 tabletop exercises for the National Security Committee of Cabinet, and one futures scenario exercise conducted by the Secretaries Board. These exercises ensured that ministers and secretaries have had practice in managing emergency and crisis events and have the opportunity to consider longer term trends that will shape Australian policy over the next 5 to 10 years.</p> <p>The National Exercising Program will be expanded in 2021–22 as part of the reform packaged announced in response to recommendations of the Royal Commission into National Natural Disaster Arrangements.</p> <p>PM&C updated the Australian Government Crisis Management Framework (AGCMF) to reflect the establishment of the new National Recovery and Resilience Agency and reforms to Emergency Management Australia that are due to commence on 1 July 2021. PM&C consulted with 19 Commonwealth agencies and all states and territories, and held 29 meetings as part of the development of the revised AGCMF. The revised AGCMF was considered by the Secretaries' Committee of National Security in June 2021 and is published on the PM&C website.</p>	

Results: Key Activity 6.3

Key activity	Measure	Target
Support the Government in its efforts to introduce new Emergency Management response architecture.	Commonwealth whole-of-government coordination, resource mobilisation and support to state and territory jurisdictions during times of crisis are effective.	<ul style="list-style-type: none"> · The Government introduces improved architecture that better enables the timely delivery of support to jurisdictions in times of crisis. · Progress in the delivery of a Public Safety Mobile Broadband system as outlined in the roadmap agreed by COAG in December 2018.
Source	Corporate Plan 2020–24, pp 30–31	
Result	On track	
Methodology	Evaluation through milestone delivery and data analysis	
Analysis	<p>PM&C is on track to achieving its targets under this key activity.</p> <p>PM&C has been instrumental in driving the delivery of a Public Safety Mobile Broadband (PSMB) system as a matter of priority for jurisdictions and the Commonwealth. PM&C worked with the Department of Home Affairs and the states and territories to keep the PSMB project on track during 2020–21.</p> <p>In response to the Royal Commission into National Natural Disaster Arrangements recommendation to expedite the delivery of PSMB, the National Federation Reform Council agreed that the National Emergency Management Ministers Meeting would progress the recommendation as a priority action. The PSMB Proof of Concept project commenced in May 2021 and will run through to August 2022.</p>	

Results: Key Activity 6.4

Key activity	Measure	Target
Support the APS Commissioner in building agile workforce models, including exploring the establishment of a surge workforce capacity which can be mobilised in times of extreme national crisis.	Commonwealth whole-of-government coordination, resource mobilisation and support to state and territory jurisdictions during times of crisis are effective.	<ul style="list-style-type: none"> The Government introduces improved architecture that better enables the timely delivery of support to jurisdictions in times of crisis.
Source	Corporate Plan 2020–24, pp 30–31	
Result	Partially achieved	
Methodology	Evaluation through milestone delivery and data analysis	
Analysis	<p>PM&C partially achieved its target under this key activity. In accordance with the recommendation of the Royal Commission into National Natural Disaster Arrangements, a new APS Surge Reserve has been established to support the mobilisation of staff for emerging needs. This function transferred from PM&C to the Australian Public Service Commission (APSC). The Secretaries Board agreed to the final design of the APS Surge Reserve in April 2021. The new APS Surge Reserve is designed to support the mobilisation of large numbers of APS staff quickly in a crisis.</p> <p>Surge reserve arrangements will be tested and revised through regular exercises involving the Surge Reserve Coordinator and portfolio contacts. The National Framework for Public Sector Mobility, which supports movement between state and territory jurisdictions, was delivered in July 2020. Commonwealth, state and territory commissioners endorsed an update to the framework in April 2021. As at 30 June 2021, more than 2,000 staff have volunteered to join the APS Surge Reserve, with further recruitment planned for later in 2021.</p>	

Results: Key Activity 6.5

Key activity	Measure	Target
Support Government in the implementation of agreed recommendations arising from the CSIRO Climate and Disaster Resilience Report submitted to the Commonwealth Government on 30 June 2020.	Commonwealth whole-of-government coordination, resource mobilisation and support to state and territory jurisdictions during times of crisis are effective.	<ul style="list-style-type: none"> The Government introduces improved architecture that better enables the timely delivery of support to jurisdictions in times of crisis.
Source	Corporate Plan 2020–24, pp 30–31	
Result	On track	
Methodology	Evaluation through milestone delivery and stakeholder survey	
Analysis	<p>PM&C is on track to achieving its measure and target over the forward estimates.</p> <p>In 2020–21, we helped support the Government to implement recommendations arising from the Commonwealth Scientific and Industrial Research Organisation (CSIRO) Climate and Disaster Resilience Report, primarily by providing advice to the Prime Minister and the Cabinet to respond to the recommendations of the Royal Commission into National Natural Disaster Arrangements, which are aligned to many of the recommendations of the CSIRO report.</p> <p>PM&C supported the Prime Minister to share the report with all state and territory premiers and chief ministers. We continue to support whole-of-government efforts to work with states and territories to implement the Royal Commission’s recommendations (and by implication the CSIRO recommendations) and monitor progress. Stakeholder survey results demonstrated a highly positive assessment from external stakeholders of our successful performance against this measure.</p> <p>We had a key role in advising the Prime Minister and the Cabinet to establish the new National Recovery and Resilience Agency and the Australian Climate Service – 2 key initiatives that give effect to both Royal Commission and CSIRO recommendations. Both these key initiatives continue to drive resilience outcomes.</p>	

Results: Key Activity 6.6

Key activity	Measure	Target
Contribute to the Royal Commission into National Natural Disaster Arrangements, provide advice to the Prime Minister on the Government's response, and work with Commonwealth and external agencies to implement agreed recommendations.	Work cooperatively with states and territories to respond to the Royal Commission's report and implement agreed recommendations.	<ul style="list-style-type: none"> Increase Australia's ability to prepare for, respond to, recover from and build resilience to natural disasters.
Source	Corporate Plan 2020–24, pp 30–31	
Result	On track	
Methodology	Evaluation through milestone delivery and data analysis	
Analysis	<p>PM&C is on track to achieving its measure and target under this key activity.</p> <p>On 13 December 2020, the Government published its response – <i>A national approach to natural disasters</i> – to the final report of the Royal Commission into National Natural Disaster Arrangements. PM&C coordinated across portfolios to develop responses to the 80 recommendations made by the Royal Commission.</p> <p>PM&C coordinated the development of the Government response, including consideration by the National Federation Reform Council. PM&C prepared regular briefing to the Government and coordinated consultation across the Commonwealth as part of this work. The Government supported or supported in principle most of the recommendations, and noted those directed to the states and territories.</p> <p>In conjunction with the establishment of the National Cabinet architecture, the Australian Government collaborated with the states and territories to establish the National Emergency Management Ministers Meeting (NEMMM). NEMMM is coordinating the implementation of the Royal Commission's recommendations at all levels of government, ensuring that reforms to natural disaster resilience, response and recovery arrangements are harmonised across jurisdictions.</p> <p>A number of the Royal Commission's key recommendations for the Australian Government have already been implemented. For example, the National Recovery and Resilience Agency and Australian Climate Services have been established. Five reports on progress against each recommendation have been published on the Department of Home Affairs website. PM&C will continue working with the Department of Home Affairs and relevant Commonwealth agencies, as well as the states and territories, to deliver the Royal Commission's recommendations.</p>	



P3

Part 3





Management and accountability

Corporate governance

PM&C is committed to good governance and the highest standards of accountability, transparency and integrity. Our corporate governance framework guides good governance and sound business practices across all areas and levels of the Department. It has been designed to drive efficient and effective business operations; ensure the proper use and management of public resources; identify and mitigate risk; and drive continuous improvement through corporate planning, performance monitoring and reporting. Over the reporting period our governance structures were reviewed regularly in light of changes to our operating environment to ensure they remain 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, performance monitoring and 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 framework, policy and response
- processes to track compliance with legal, legislative and regulatory obligations and responsibilities.

Committees

PM&C's 5 governance committees (see Table 3.1) supported the Secretary, the Executive Board and other senior executives to fulfil their corporate and governance responsibilities. The committees provided a range of advice and support on PM&C operations to assist in key decision making.

Table 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 operational matters, performance monitoring, culture and resource allocation.
Audit and Risk Committee	Provided independent advice and assistance to the Secretary 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	Provided strategic advice on the Department's inclusion and diversity strategy and objectives, and their alignment to business goals, drawing on the Commonwealth and Australian Public Service Commission. It provided a dedicated mechanism to drive and promote inclusion and diversity initiatives and change within PM&C.
Consultative Committee	Provided a mechanism for staff consultation between management and employee representatives on workplace relations matters relating to the operation of the Department of the Prime Minister and Cabinet Enterprise Agreement 2017–20, such as the development and review of employment policies.
Health, Safety and Wellbeing Committee	Provided a formal mechanism for consultation and cooperation on work health and safety matters, including initiating, developing and implementing measures that affect workers.

AUDIT AND RISK COMMITTEE

The PM&C Audit and Risk Committee (ARC) provides independent advice and assistance to the Secretary on the appropriateness of PM&C's financial and performance reporting responsibilities, risk oversight and management, and system of internal control.

The *ARC Charter* sets out the ARC's role, authority, responsibilities, composition and tenure, reporting, and administrative arrangements.

Table 3.2 contains further details on ARC membership for the period 1 July 2020 to 30 June 2021.

Table 3.2: Audit and Risk Committee

External ARC member	
ARC member name and title	Carol Lilley Chair for entire reporting period
Member attendance at meetings	21 August 2020 9 September 2020 8 December 2020 25 February 2020 1 June 2021
Qualifications, knowledge, skills or experience	<p>Carol Lilley is an external independent member and the chair of the PM&C Audit and Risk Committee.</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 other Australian Government audit committees, including the Department of Home Affairs, Services Australia, the Australian Federal Police and Austrade. • Ms Lilley is the deputy chair of Icon Water and has had other director roles in the Commonwealth government and private sector. • A former partner of PricewaterhouseCoopers (2004–2011), Ms Lilley's background is in financial statements, internal audit and risk management. She is now an independent director and audit committee member. • Ms Lilley is a Graduate of the Australian Institute of Company Directors, Fellow of the Institute of Chartered Accountants, Australia and New Zealand and a certified internal auditor.
Member remuneration (incl GST)	\$ 26,570

External ARC member

ARC member name and title	Paul Smith Member for entire reporting period
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Member attendance at meetings	21 August 2020 9 September 2020 8 December 2020 25 February 2021 1 June 2021
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Qualifications, knowledge, skills or experience	<p>Paul Smith is an independent management consultant and an independent member of PM&C's Audit and Risk Committee.</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, operations, and compliance. He is currently an independent management consultant. • He has over 35 years' experience in financial management and ICT consulting to public sector and commercial and not-for-profit organisations. • He has been a partner in professional consulting firms for 21 years. He is a Founding Partner of Callida Consulting. • He is a Fellow, CPA Australia; a Senior Certified Professional from the Australian Computer Society; and a Graduate Member of the Australian Institute of Company Directors. • His qualifications include a Bachelor of Commerce (ANU).
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Member remuneration (incl GST)	\$12,500
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External ARC member

ARC member name and title	Maria Storti Member for entire reporting period Financial Statements Adviser
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Member attendance at meetings	21 August 2020 9 September 2020 8 December 2020 25 February 2020 1 June 2021
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Qualifications, knowledge, skills or experience	<p>Maria Storti is an independent member of PM&C Audit and Risk Committee. She is the PM&C Financial Statements Adviser – a role that replaced the role of Chair of PM&C's Financial Statement Sub-Committee. Ms Storti experience and qualifications are as follows:</p> <ul style="list-style-type: none"> • Ms Storti specialises in financial management, governance and risk management. • She serves as a Board member and an Audit Committee member and has served in senior executive roles and consultancy for over 3 decades. • She holds a Master of Business Administration and is a Fellow of the Chartered Accountants, Australia and New Zealand. • She is a Fellow of the Australian Institute of Company Directors and member of the Institute of Internal Auditors. • Her experience includes positions as Ernst & Young performance improvement partner, Deputy CEO at Defence Housing Australia and Vice-President Governance & Development at the University of Canberra.
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Member remuneration (incl GST)	\$18,650
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Internal ARC member

ARC member name and title	Deborah Anton Member for entire reporting period
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Member attendance at meetings	21 August 2020 9 September 2020 8 December 2020 25 February 2021 1 June 2021
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Qualifications, knowledge, skills or experience	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. Ms Anton's experience and qualifications are as follows:
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- Ms Anton 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.
 - She has experience in policy, program design and delivery. Immediately prior to her current role she served as the Deputy Director-General and Chief Operating Officer of IP Australia.
 - She 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.
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Member remuneration (incl GST)	N/A
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Risk management

PM&C manages 3 strategic risks:

- The risk that the welfare of our people is not managed well.
- The risk that 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.
- The risk that our advice to the Prime Minister and the Government is not of high quality or not delivered on time.

Under the Department's Risk Management and Policy Framework, our number one strategic risk is anything that could affect the welfare of our people. As the COVID-19 pandemic continued throughout 2020, PM&C used a risk management approach to successfully mitigate any severe impacts to our staff operations.

Throughout 2020–21, COVID-19 risk assessments that were developed in response to the pandemic were continually reviewed and improved. As a result of these assessments, PM&C took actions to help prevent or minimise the likelihood of transmission of the virus should it be identified among staff or visitors. A reduction in international visits gave PM&C an opportunity to strengthen risk management practices related to travel. In 2020, PM&C developed a Protocols and International Visits framework for managing risks, including COVID-19 risks, associated with international visits and Guests of Government. This has placed PM&C in a position to successfully navigate risk as international travel resumes.

The Risk Management and Policy Framework, which was endorsed by the Secretary and the Executive Board in May 2020, assisted us to effectively manage and respond to events as they unfolded. The framework sets out our appetite, tolerance and approach for managing risk at both a strategic and operational level. It provides guidance on assessing and managing risk in response to the purpose and priorities set out in the Corporate Plan and operational level risks that may affect the achievement of our objectives.

Our risk framework champions a positive risk culture and fosters a 'no surprises' approach to managing risk across PM&C. Our approach to managing risk was reinforced in 2021 by further embedding and thus maturing the framework. 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.

CLIMATE RISK

Australian public servants are required to understand and appropriately manage climate risks where they are relevant to Australian Government policies, programs and operations, in accordance with the obligations and frameworks established by the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and *Public Service Act 1999*. In 2020–21, PM&C contributed to the development of a preliminary Climate Risk Disclosure Framework for the Australian Public Service as part of our ongoing engagement in the Australian Government Disaster and Climate Resilience Reference Group. This initiative, jointly led by the Department of Agriculture, Water and the Environment and the Department of Industry, Science, Energy and Resources, will provide a reporting platform to support Government agencies to report climate risk information.

Complaints management

PM&C welcomes feedback from the community as a way to continually improve our services and ensure the professionalism of our staff. Under our complaints-handling policy, PM&C can assess complaints regarding our services, the conduct of our staff and any PM&C procurement activities that fall under the *Government Procurement (Judicial Review) Act 2018*.

In 2020–21 we undertook a review of the Department's complaints-handling policies and procedures to ensure alignment with the Commonwealth Ombudsman's latest guidance and to better address issues raised by members of the public.

Between 1 July 2020 and 30 June 2021, PM&C received 10 complaints that were in line with our complaints-handling policy. Eight complaints were resolved and 2 were in the process of being assessed as at 30 June 2021. During the same period, we did not receive any complaints relating to the *Government Procurement (Judicial Review) Act 2018*.

Fraud prevention and control

PM&C maintains a zero-tolerance approach to fraud and corruption. In recognition that the ongoing pandemic could have presented new opportunities for fraudulent behaviour, PM&C proactively undertook a review of its fraud and corruption control settings in 2020. No perceived or actual instances of fraud were identified within PM&C in 2020–21. In 2021, PM&C published its Fraud and Corruption Control Plan 2021–2023 (FCCP), which is publicly available on the [PM&C website](#). The FCCP sets out our approach to defining, controlling, finding and reporting on matters of fraud and corruption in PM&C.

In 2021, our approach to fraud detection and prevention was reinforced by updating and strengthening PM&C's online e-learning induction training for all new employees and annual refresher training. The modules align to the updated FCCP.

PM&C remains committed to preventing, detecting and responding to instances of real and suspected fraud. Anyone who believes that a fraudulent activity has occurred within PM&C is encouraged to report it by submitting a fraud contact form on the [PM&C website](#).

External scrutiny

EXTERNAL AUDIT

During the reporting period PM&C participated in 4 performance audits by the Australian National Audit Office:

- *Management of the Australian Public Service's workforce response to COVID-19*, tabled in December 2020; cross-entity
- *Cyber strategies of non-corporate Commonwealth entities*, tabled in March 2021; multi-portfolio
- *Administration of the National Bushfire Recovery Agency*, tabled in June 2021. PM&C notes that this performance audit originally commenced within the Department; however, during the audit the National Recovery and Resilience Agency was established and since then the implementation of recommendations has been shared between the 2 entities
- *Design and management of international travel restrictions during the COVID-19 pandemic*, due to be tabled in November 2021; multi-portfolio.

JUDICIAL DECISIONS AND OTHER EXTERNAL SCRUTINY

PM&C was not party to any judicial decisions or decisions of administrative tribunals or the Information Commissioner in 2020–21 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* and complies with the requirements of the Information Publication Scheme to publish a range of information on its website.

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

Our people

In 2020–21, investing in individual and organisational excellence remained a priority for PM&C. We further embedded the PM&C Performance Framework, clearly describing the behaviours exhibited by high-performing PM&C staff as they work alongside communities and stakeholders and across all areas of government.

We continued to foster a safe, inclusive and respectful workplace, capitalised on lessons learned on flexible working, and maintained our focus on strengthening the responsiveness and adaptability of our workforce.

Employment performance

Table 3.3: All Ongoing Employees Current Report Period (2020–21)

	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	332	13	345	599	111	710	1	-	1	1056
NT	-	-	-	-	-	-	-	-	-	-
External Territories	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-
TOTAL	332	13	345	599	111	710	1	-	1	1056

Table 3.4: All Non-Ongoing Employees Current Report Period (2020–21)

	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	16	3	19	25	6	31	-	-	-	50
NT	-	-	-	-	-	-	-	-	-	-
External Territories	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-
TOTAL	16	3	19	25	6	31	-	-	-	50

Table 3.5: All Ongoing Employees Previous 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

Table 3.6: All Non-Ongoing Employees Previous 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 3.7: Australian Public Service Act Ongoing Employees Current Report Period (2020–21)

	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	Full-time	Part-time	Total Indet	
SES 3	2	-	2	3	-	3	-	-	-	5
SES 2	5	-	5	10	-	10	-	-	-	15
SES 1	23	1	24	21	5	26	-	-	-	50
EL 2	57	2	59	84	17	101	-	-	-	160
EL 1	109	4	113	197	40	237	-	-	-	350
APS 6	69	5	74	141	26	167	-	-	-	241
APS 5	49	-	49	86	15	101	-	-	-	150
APS 4	10	-	10	42	8	50	-	-	-	60
APS 3	8	-	8	14	-	14	-	-	-	23
APS 2	-	-	-	1	-	1	-	-	-	1
APS 1	-	1	1	-	-	-	-	-	-	1
Other	-	-	-	-	-	-	-	-	-	-
TOTAL	332	13	345	599	111	710	-	-	1	1056

Table 3.8: Australian Public Service Act Non-Ongoing Employees Current Report Period (2020–21)

	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
SES 1	-	-	-	1	-	1	-	-	-	1
EL 2	2	-	2	2	-	2	-	-	-	4
EL 1	1	-	1	5	-	5	-	-	-	6
APS 6	8	-	8	7	-	7	-	-	-	15
APS 5	1	1	2	2	2	4	-	-	-	6
APS 4	1	-	1	7	2	9	-	-	-	10
APS 3	1	1	2	1	-	1	-	-	-	3
APS 2	1	1	2	-	2	2	-	-	-	4
APS 1	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
TOTAL	16	3	19	25	6	31	-	-	-	50

Table 3.9: Australian Public Service Act Ongoing Employees Previous 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 3.10: Australian Public Service Act Non-Ongoing Employees Previous 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 3.11: Australian Public Service Act Employees by Full-time and Part-time Status Current Report Period (2020–21)

	Ongoing			Non-Ongoing			Total
	Full-time	Part-time	Total Ongoing	Full-time	Part-time	Total Non-Ongoing	
SES 3	5	-	5	-	-	-	5
SES 2	15	-	15	1	-	1	16
SES 1	44	6	50	1	-	1	51
EL 2	141	19	160	4	-	4	164
EL 1	306	44	350	6	-	6	356
APS 6	210	31	241	15	-	15	256
APS 5	135	15	150	3	3	6	156
APS 4	52	8	60	8	2	10	70
APS 3	23	-	23	2	1	3	26
APS 2	1	-	1	1	3	4	5
APS 1	-	1	1	-	-	-	1
Other	-	-	-	-	-	-	-
TOTAL	932	124	1056	41	9	50	1106

Table 3.12: Australian Public Service Act Employees by Full-time and Part-time Status Previous 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	1055

Table 3.13: Australian Public Service Act Employment type by location Current Report Period (2020-21)

	Ongoing	Non-Ongoing	Total
NSW	-	-	-
Qld	-	-	-
SA	-	-	-
Tas	-	-	-
Vic	-	-	-
WA	-	-	-
ACT	1056	50	1106
NT	-	-	-
External Territories	-	-	-
Overseas	-	-	-
TOTAL	1056	50	1106

Table 3.14: Australian Public Service Act Employment type by location Previous Report Period (2019-20)

	Ongoing	Non-Ongoing	Total
NSW	2	-	2
Qld	-	-	-
SA	1	-	1
Tas	-	-	-
Vic	-	-	-
WA	-	-	-
ACT	968	84	1052
NT	-	-	-
External Territories	-	-	-
Overseas	-	-	-
TOTAL	971	84	1055

Table 3.15: Australian Public Service Act Indigenous Employment Current Report Period (2020–21)

	Total
Ongoing	23
Non-Ongoing	-
TOTAL	23

Table 3.16: Australian Public Service Act Indigenous Employment Previous Report Period (2019–20)

	Total
Ongoing	20
Non-Ongoing	1
TOTAL	21

Inclusion and diversity

Our aim is to represent the Australia we serve. To achieve this, we continue to strengthen the diversity of our workforce ensuring a rich culture that is safe and respectful and reflective of Australian communities. Our work environment supports all employees to confidently bring their whole selves to work and to reach their full potential. We strive for an environment that is both diverse in its talent base and able to foster an inclusive culture where the unique perspectives, creativity and strengths of all employees are valued and can thrive.

This year 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.

Inclusion and diversity initiatives were driven by the Executive Diversity Champion and were supported by 8 Executive Champions and staff-led employee networks:

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

Each network offers a different experience and at the same time builds an awareness of intersectionality so we can better acknowledge and ground the differences among our workforce. 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 Employment Data release.

Supporting PM&C's inclusion and diversity networks

CASE STUDY

Throughout the year we focused on practising inclusive leadership at all levels, providing a culturally safe environment, supporting practical actions and accountabilities, and strengthening inclusion and diversity across the Department. We did this by raising awareness and building capability through:

- peer support
- observing days of significance through targeted activities
- raising awareness of important and emerging issues through training, speakers and events
- strengthening PM&C's commitment to progressing inclusion and diversity through contributing to our departmental action plans.

Our Diversity Champions and employee networks were also supported to advocate, engage and effect change. Prioritising inclusion and diversity was fundamental to our performance as a Department and delivered robust and informed outcomes representing all Australians.

Our networks form a strong part of PM&C's culture and demonstrate our commitment to diversity and inclusiveness across our workforce.

In February 2021, PM&C held another Love Your Networks event to reconnect staff following the challenges of a mobilised and disrupted workforce during the height of the COVID-19 pandemic. In June 2021, PM&C held another event to refresh and revitalise following a busy budget period. Both events were internal fair designed to showcase the networks' identities and purposes through entertaining activities and staff talks. The events were well attended and our networks welcomed new members who can offer support, advocacy and connectedness to their peers. Staff were able to meet and talk with network representatives and make personal pledges to progress inclusion and diversity.

At the events, staff heard from special guests such as the Canberra Blind Society (running a blindness simulation); got to pat therapy dogs from the Delta Society of Australia; ate delicious donuts from local business Krofne – a Canberra-based bakery that creates employment opportunities for teens and adults with special needs; and raised money for Marymead – a not-for-profit organisation that delivers a range of family support services to children, young people and their families.

The events, supported by People Branch, were a huge success, resulting in great engagement from staff and new network members. They were fantastic opportunities to promote the great work of the networks.

Aboriginal and Torres Strait Islander peoples

On 2 June, PM&C launched 2 very important action plans as part of our commitment to progress Aboriginal and Torres Strait Islander employment opportunities: the PM&C Innovate Reconciliation Action Plan 2021–2023 (RAP) and the First Nations Action Plan: Culture, Career, Capability. Both action plans are consistent and complementary in providing meaningful and achievable actions to inform the work experience of our current and future Aboriginal and Torres Strait Islander staff. PM&C aims to be a culturally safe and competent employer of choice for First Nations peoples.

PM&C commissioned First Nations artist Lakkari Pitt to develop artwork to rebrand and reinvigorate our First Nations portfolio. The artwork represents empowerment and truth telling and pays tribute to the many different communities and tribes throughout Australia; the special connection and unique relationship Aboriginal and Torres Strait Islander peoples have with Country and land; and change and positive growth. It is a reminder to all in the Department of the need to remain aspirational; to empower people and communities through stewardship; and, importantly, to remain hopeful for the future.

PM&C's Mara Network invited Krystal Hurst of *Gillawarra Arts* to create a bespoke piece of artwork to gift to the Department. Krystal is a Worimi woman from Taree now living in Canberra, with strong connections to the local community.

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 First Nations 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 3 flags – the Australian Flag, the Aboriginal Flag and the Torres Strait Islander Flag – by staff and Indigenous community members. Throughout the week that followed, staff participated in a variety of interactive and informative workshops such as a Ngunnawal Bush tucker workshop; a Tools and Artefacts Workshop, delivered by Aaron Chatfield from *Dreamtime Connections*; and cultural weaving and jewellery workshops, delivered by Krystal Hurst from *Gillawarra Arts*.

The Department hosted a panel event in which participants shared their insights, experiences and hopes for future generations of Aboriginal and Torres Strait Islander peoples.

The Department also invited Tyronne and Jai Bell from Thunderstone Aboriginal Cultural Services to deliver 2 highly sought-after workshops teaching staff how to deliver an Acknowledgement of Country in Ngunnawal language. Throughout the week, teams were invited to purchase NAIDOC Hampers prepared by the PM&C Social Club, putting a COVID-safe spin on the traditional Happy Hour.

RECONCILIATION

On 2 June 2021, PM&C launched its 'Innovate' RAP 2021–2023, which was developed in consultation with staff across the Department, our Mara Network and RAP Working Group members. It provides a framework for PM&C to support the national reconciliation movement and is an important part of our commitment to reconciliation.

The RAP is more than just a document – it outlines actions and deliverables against 3 key areas of focus: relationships, respect, and opportunities. It also provides pathways for each of us to consider how we can contribute to a culturally inclusive and safe workplace and celebrate and respect the knowledge, understandings and experiences of the custodians of the oldest living cultures in the world.

PM&C commemorated National Reconciliation Week 2021 through activities such as a Welcome to Country and Cleansing Ceremony, hosted by Tyrone Bell from Thunderstone Aboriginal and Cultural Services; a video featuring RAP Working Group members on their connection to reconciliation; a launch event for PM&C's First Nations action plan and RAP; a keynote address by Rachael McPhail; and a barbecue to wrap up the week.

PM&C FIRST NATIONS ACTION PLAN: CULTURE, CAREER, CAPABILITY

In 2021 PM&C proudly released the First Nations Action Plan: Culture, Career, Capability. The action plan is in response to the Commonwealth Aboriginal and Torres Strait Islander Workforce Strategy 2020–2024, released by the Australian Public Service Commission in July 2020. The strategy represents the Commonwealth's continued contribution, as an employer, to the Closing the Gap agenda. It will direct and reinforce work to improve representation of Aboriginal and Torres Strait Islander people in the Australian public sector and is supported by high-level implementation deliverables.

Flexible work

Flexible work continues to be an important driver of employee engagement, wellbeing and productivity, improving our ability to attract and retain a diverse workforce. PM&C has a longstanding approach to providing employees with options about how, when and where they work, underpinned by IT infrastructure enabling activity-based work.

Consideration is given to all flexible work requests and we make genuine attempts to establish mutually beneficial arrangements that support the continued delivery of outcomes for PM&C and meet the needs of individuals and teams.

In 2020–21 PM&C continued to embed lessons learned from the practical experience of our employees working from home during the peak of the COVID-19 pandemic in 2019–20. The PM&C Flexible Work Policy was reviewed in consultation with employees and their representatives. Many employees continued to work in a hybrid capacity, both in the office and from home across their working week.

To ensure that staff have a safe environment and workstation set-up when working away from the office, a comprehensive Working Remotely or from Home Agreement and Checklist is available for staff to complete. Additionally, staff can request an ergonomic assessment conducted by a suitably qualified allied health professional to ensure that their workstation supports good postures and they are engaging in healthy practices such as taking regular breaks, changing posture and performing stretches.

A range of wellbeing support measures have been implemented. For example, we now have a dedicated Coronavirus (COVID-19) Information Portal, which includes links to wellbeing resources such as the Employee Assistance Program, PM&C's Wellbeing Portal, strategies for staying active and COVID-19 e-learning modules. The portal also includes guidance documents for employees and managers on working flexibly, maintaining contact and communicating regularly to ensure a shared understanding of tasks, expectations and time frames.

Workplace response to domestic and family violence policy

As part of ongoing efforts to support PM&C's Domestic, Family and Intimate Partner Violence Policy, the Department provides a number of targeted support materials, training and events to raise awareness and build staff capability.

On 25 November 2020, PM&C observed the International Day for the Elimination of Violence against Women by organising a panel discussion hosted by PM&C's Gender Champion.

The discussion canvassed work by the Office for Women and the National Indigenous Australians Agency to address violence against women; PM&C's Domestic and Family Violence Training, including what participants may get from the training and how it can be practically applied in the workplace; and the personal perspectives of presenters on other contemporary issues facing women.

Recruitment

PM&C is committed to recruiting staff through a range of entry pathways.

In 2020–21 we ran 2 internal programs and participated in 5 external programs:

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

Employment arrangements

In 2020–21 PM&C's non-SES employees were covered by the Department of the Prime Minister and Cabinet Enterprise Agreement 2017–20 and a determination made under section 24(1) of the *Public Service Act 1999*, effective from 2 August 2020. Individual flexibility arrangements were made with non-SES employees where they met the genuine needs of PM&C and the employee.

PM&C conducted an enterprise bargaining process in 2021 for a replacement non-SES enterprise agreement. The new agreement will take effect from 2 August 2021.

The employment conditions for substantive SES employees were provided by individual determinations made under section 24(1) of the *Public Service Act 1999*.

Data on workplace arrangements for PM&C employees is provided at Table 3.17 and Table 3.18 below.

Table 3.17: Australian Public Service Act Employment arrangements Current Report Period (2020–21)

	SES	Non-SES	Total
Enterprise agreement	-	1,034	1,034
Section 24(1) determination	72	1,034	1,106
Individual flexibility arrangement	-	25	25

Table 3.18: Australian Public Service Act Employment salary ranges by classification level (Minimum/Maximum) Current Report Period (2020–21)

	Minimum Salary	Maximum Salary
SES 3	\$352,084	\$397,857
SES 2	\$263,971	\$292,721
SES 1	\$199,824	\$232,806
EL 2	\$127,617	\$151,885
EL 1	\$109,644	\$124,963
APS 6	\$85,320	\$95,880
APS 5	\$77,139	\$82,468
APS 4	\$69,865	\$74,718
APS 3	\$64,226	\$66,898
APS 2	\$57,512	\$61,286
APS 1	\$48,966	\$53,540
Other	-	-
Minimum/Maximum range	\$48,966	\$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 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 are usually determined by the Executive Board for SES Band 1 and SES Band 2; and by the Secretary for SES Band 3.

The Government set clear expectations regarding the suspension of increases to remuneration, entitlements and allowances for SES employees until the easing of the challenges arising from the COVID-19 pandemic. The Government took this position in the context of the challenging economic outlook flowing from the COVID-19 pandemic and community expectations. From 26 March 2020, all remuneration increases to SES employees were suspended.

Executive Vehicle Allowance (EVA) was a component of base salary, meaning allowances paid to the SES are minimal and specific to individual circumstances.

Remuneration for the Secretary and statutory office holders was determined by the Remuneration Tribunal. Reporting on remuneration for Key Management Personnel (KMP) and Senior Executives within PM&C is 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. As such, the Secretary's remuneration here differs from that amount disclosed under the Remuneration Tribunal Determination.

During the reporting period to 30 June 2021, PM&C had 6 individuals who met the definition of Key Management Personnel. Their names, length of term as KMP and remuneration details are in Tables 3.19 and 3.21. In addition, aggregated remuneration information for 125 Senior Executives is shown in Table 3.22. During the period, PM&C had no other highly paid staff who met the disclosure threshold for reporting.

Table 3.19: Key Management Personnel details for the reporting period

Name	Position	Term
DUGGAN, Simon J	Deputy Secretary	Full year
FOSTER, Stephanie C	Deputy Secretary	Full year
FRAME, Alison J	Deputy Secretary	31/08/20 – 30/06/21
GAETJENS, Philip G	Secretary	Full year
GILMARTIN, Tomas N	Chief Operating Officer	Full year
MILLAR, Caroline J	Deputy Secretary	Full year

Table 3.20: Key Management Personnel summary remuneration for the reporting period (\$)

Base Salary	2,648,505
Bonuses	-
Other benefits & allowances	57,728
Total Short-term benefits	2,706,233
Superannuation contribution	434,118
Total Post-employment benefits	434,118
Long service leave	63,880
Other long-term benefits	-
Total Other long-term benefits	63,880
Termination benefits	0
TOTAL REMUNERATION	3,204,231

Table 3.21: 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					
DUGGAN, Simon J	Deputy Secretary	370,770	-	647	68,213	10,695	-	-	-	-	450,325	
FOSTER, Stephanie C*	Deputy Secretary	455,553	-	647	74,672	11,772	-	-	-	-	542,644	
FRAME, Alison J	Deputy Secretary	328,103	-	24,929	60,768	3,145	-	-	-	-	416,945	
GAETJENS, Philip G	Secretary	802,446	-	1,612	116,669	24,101	-	-	-	-	944,829	
GILMARTIN, Tomas N	Chief Operating Officer	342,487	-	29,247	49,469	3,701	-	-	-	-	424,904	
MILLAR, Caroline J	Deputy Secretary	349,146	-	647	64,326	10,466	-	-	-	-	424,584	
TOTAL		2,648,505	-	57,728	434,118	63,880	-	-	-	-	3,204,231	

*Acting Secretary a total of 29 days across the financial year

Table 3.22: Information about remuneration for Senior Executives

Total remuneration bands	Number of senior executives	Short-term benefits			Post-employment benefits	Other long-term benefits	Termination benefits	Total remuneration
		Average base salary	Average bonuses	Average other benefits and allowances				
\$0 - \$220,000	71	84,675	-	321	13,851	1,882	-	100,729
\$220,001 - \$245,000	19	192,246	-	647	35,169	6,296	-	234,358
\$245,001 - \$270,000	13	214,882	-	749	37,169	7,088	-	259,888
\$270,001 - \$295,000	9	227,594	-	738	43,876	6,880	-	279,088
\$295,001 - \$320,000	3	253,659	-	2,083	46,398	7,543	-	309,682
\$320,001 - \$345,000	5	270,116	-	235	51,088	6,406	-	327,845
\$345,001 - \$370,000	2	298,971	-	2,146	47,894	4,816	-	353,828
\$370,001 - \$395,000	1	315,449	-	-	58,436	10,778	-	384,663
\$395,001 - \$420,000	1	330,817	-	3,004	60,740	8,980	-	403,542
\$495,001 - \$520,000	1	361,453	-	552	70,650	14,222	52,027	498,904
TOTAL	125	145,789	-	534	25,680	4,045	416	176,464

Performance pay

PM&C did not offer performance pay to employees.

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 2020–21, PM&C continued to embed its refreshed Performance Management Framework. The new framework uses a strengths-based approach to support the Department to sustain a high performance culture and to achieve high-quality outcomes. The framework is supported by an updated Performance Policy and relevant guidance that allows employees and managers to confidently understand and apply a strengths-based approach to performance.

Learning and development

The Practical Management Workshop Series continued with a regular cadence of delivery over 2020–21. The series returned to a focus on refreshing the foundational skills required for leading teams and supporting a culture of high performance. This included refreshed delivery of core modules such as coaching, challenging conversations and managing workload.

PM&C delivered a learning and development program with a focus on leadership behaviours and qualities such as influencing, presenting, strategic thinking, adapting, organisation, change and inclusion. PM&C employees continued to supplement professional development with coaching services, our Guest Speaker Series, Learnhub, LinkedIn Learning and the Learning Continuum.

The updated Study Assistance Policy was made available in 2020–21. The updated policy contains clearer guidance for PM&C employees who want to undertake accredited study and for their managers when they are approving applications and supporting their direct reports during periods of study.

PM&C continued to invest in high-potential employees to develop advanced leadership capabilities and public policy experience through scholarships for exceptional qualifications, including the Sir Roland Wilson PhD Scholarship, Pat Turner Scholarship and the Executive Master of Public Administration.

Work health and safety

In 2020–21, 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.

A key focus was to embed the new Work Health and Safety Management System (WHSMS), which is aligned to AS/NZS ISO 45001:2018 *Occupational health and safety management systems – requirements for guidance with use* and reflects the functions, work types and organisational priorities of PM&C. Initiatives undertaken to support the WHSMS and PM&C's commitment to work health and safety included:

- implementing a revised workgroup structure and health and safety representatives (HSRs) to better support more productive local communications and consultation with staff on work health and safety matters
- finalising the internal audit of the WHSMS against AS/NZS ISO 45001:2018
- reviewing and implementing 5 work health and safety procedures to support the WHSMS
- improved engagement with the First Aid Officer and HSR networks through regular meetings, structured induction programs and a platform for communication between HSRs and their workgroups
- launching and implementing a Wellbeing Portal – a one-stop shop for health and wellbeing information from leading mental health organisations. The portal offers online courses as well as links to videos, podcasts, documents and PM&C resources
- delivering targeted training programs, including Accidental Counsellor Awareness, Mental Health 101 and Mental Health First Aid, to promote staff accountability for their own and their peers' wellbeing, increase manager capability in managing staff with a mental health challenge, and strengthen mental health literacy across PM&C
- conducting the annual building hazard inspections across PM&C premises in Canberra
- undertaking work health and safety risk workshops with key work areas to clarify workplace hazards and associated risks and ensure that appropriate mitigation strategies have been implemented.

The impacts from the COVID-19 pandemic continued to be a key workplace health and safety focus during 2020–21. Initiatives undertaken included:

- developing an online Working Remotely or from Home Agreement and Checklist to enable staff to establish a safe workspace when working remotely
- developing and implementing online COVID-19 learning modules for employees and managers
- undertaking comprehensive transition back to the office risk assessments, supported by risk assessments of the common areas, lifts, meeting rooms and social events, to assess the health and safety risks associated with an increased number of staff returning to the office
- continuing to implement measures to support the physical and mental health of staff during a dynamic and rapidly changing period of time
- working with other areas of PM&C to develop annual risk assessments for domestic and overseas travel, Guests of Government incoming visits, funerals and other events.

One dangerous incident was mandatorily notified to Comcare in 2020–21.

Environmental performance

In 2020–21, 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 3 stars for water at the Andrew Fisher Building
- 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 75,000-litre rainwater tank to flush toilets and water the gardens at the Andrew Fisher Building
- replacing the hail-damaged 99 kw solar power system
- installing LED lighting for the 2 basement car park levels in the Andrew Fisher Building to reduce energy consumption
- encouraging recycling by providing recycling bins as well as waste bins. The café is supporting the collection of organic waste for composting on the local worm farm
- using drought-tolerant plants in gardens at the Andrew Fisher Building
- maintaining an Environmental Management System based on the Australian Standard AS/NZS ISO 14001
- defaulting office printers to black-and-white and 2-sided printing
- using energy saver mode for most office equipment when not in use across Canberra office locations.

Financial management

The Department's 2020–21 financial statements are presented on pages 178–227 of this report. The Auditor-General issued an unmodified audit opinion of these statements, noting that PM&C had appropriate and effective financial controls in place.

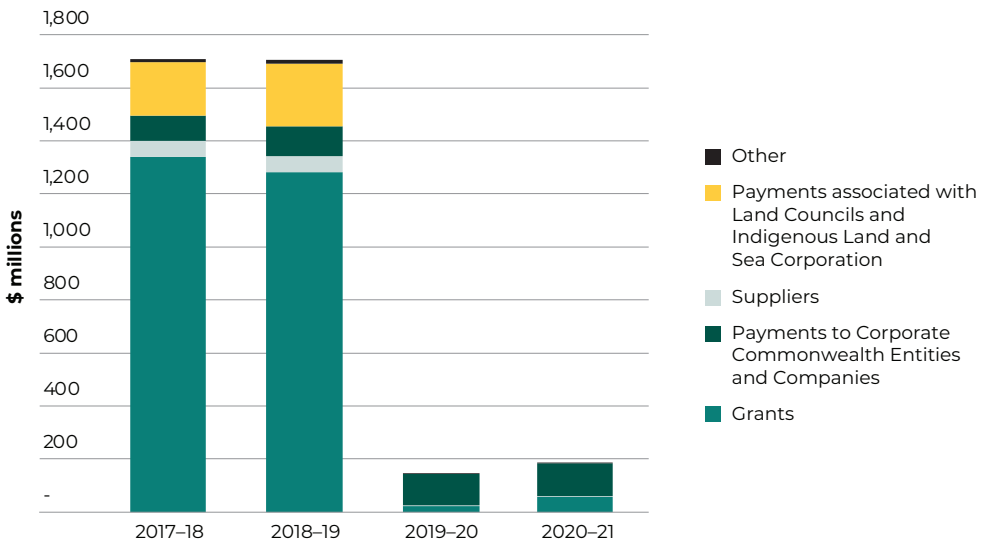
Activities administered on behalf of Government

In 2020–21, PM&C administered one program on behalf of the Government. Administered expenses totalled \$187.2 million and comprised primarily of payments to corporate Commonwealth entities and companies (\$126.3 million, 67.5 per cent of the total), and supplier expenses grant payments (\$56.2 million, 30.0 per cent of the total).

Administered expenditure included:

- \$126.3 million paid to corporate Commonwealth entities and companies including various land councils and the Indigenous Land and Sea Corporation
- \$56.2 million on grants of which \$28.9 million was paid to the National Australia Day Council and \$25.1 million to the Office for Women
- \$1.8 million for supplier expenses.

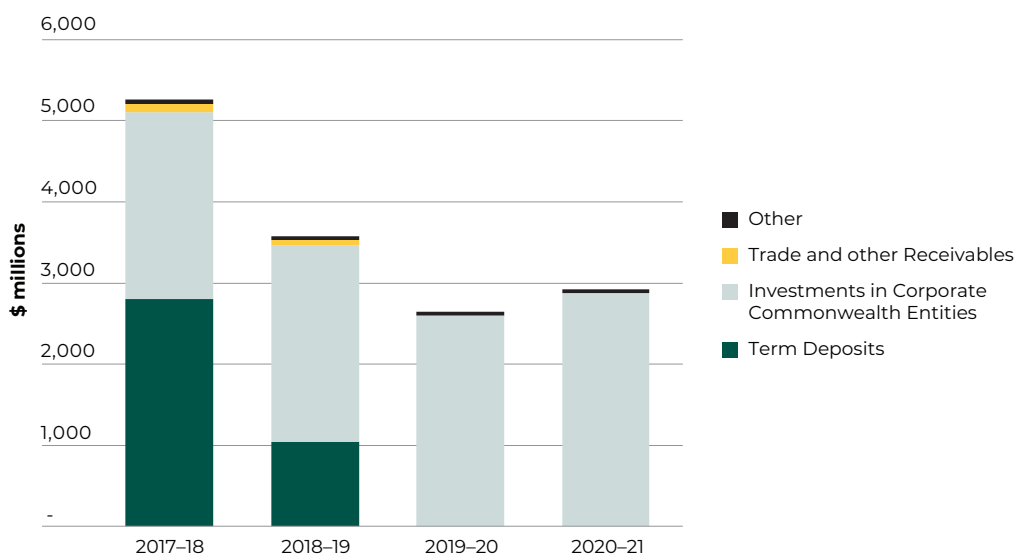
Graph 3.1: Breakdown of administered expenditure



The significant decrease in administered expenditure between 2018–19 and 2019–20 relates to the transfer of Indigenous affairs functions to the National Indigenous Australians Agency (NIAA) on 1 July 2019.

As at 30 June 2021, PM&C's administered assets totalled \$2,926.1 million. Administered assets decreased from 2019–20 due to the transfer of Indigenous affairs functions to the NIAA.

Graph 3.2: Breakdown of administered assets



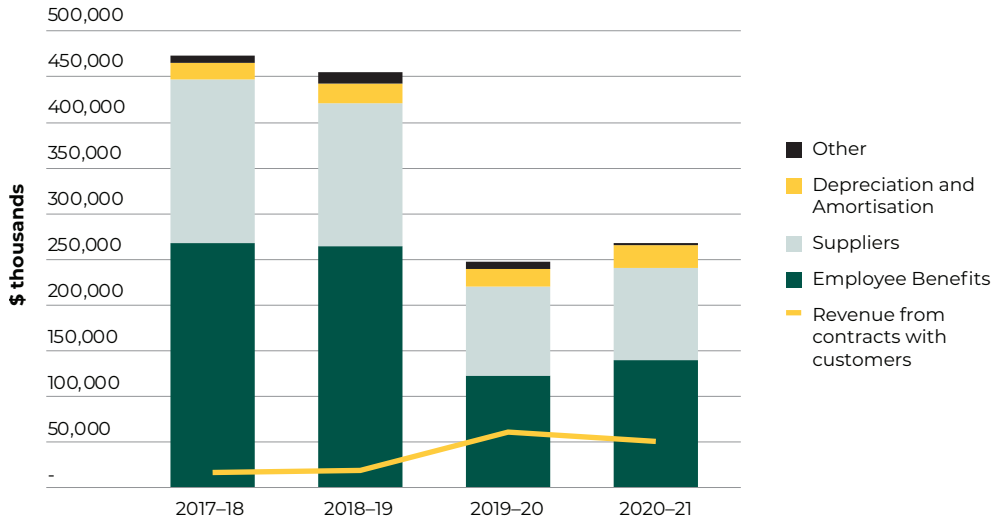
As at 30 June 2021, PM&C administered liabilities totalled \$17.4 million. This figure included the provision for future non-cash benefits to be provided to former Governors-General.

Departmental activities

The Department reported an operating deficit of \$18.5 million. After adjusting for unfunded depreciation and amortisation expenses and non-cash asset write-downs and impairments, PM&C recorded a small operating deficit.

In 2020–21, departmental expenses totalled \$267.7 million. Departmental revenue totalled \$57.6 million comprising income from contracts with customers and resources received free of charge.

Graph 3.3: Breakdown of expenses and revenue



The significant decrease in expenditure between 2018-19 and 2019-20 is due to the transfer of the Indigenous affairs functions to the NIAA as at 1 July 2019.

As at 30 June 2021, PM&C had a positive net asset position of \$51.1 million.

Assets totalled \$218.9 million and liabilities totalled \$167.8 million as at 30 June 2021.

Graph 3.4: Breakdown of assets

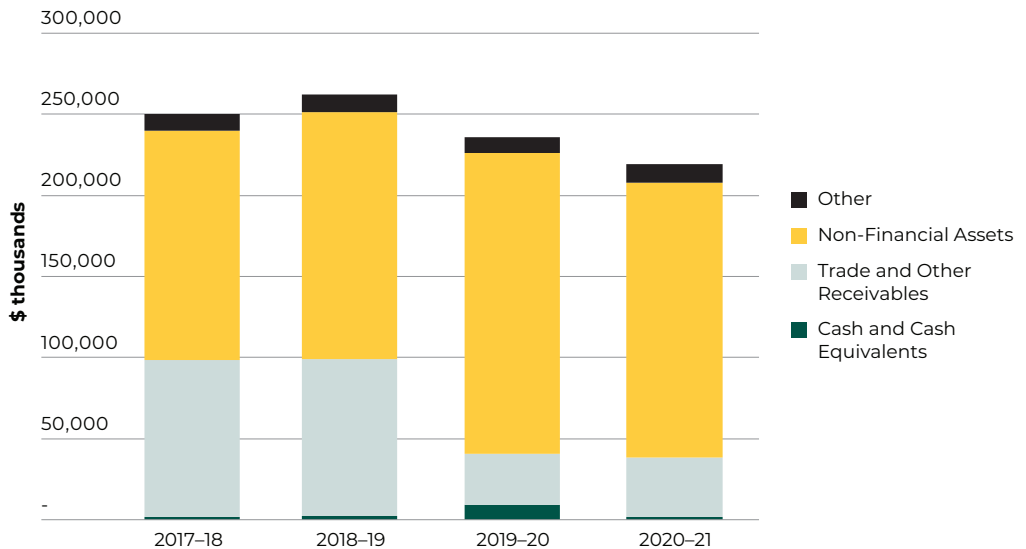


Table 3.23: Resourcing statement

		Actual available appropriation for 2020–21	Payment made 2020–21	Remaining balance 2020–21
		\$'000 (a)	\$'000 (b)	\$'000 (a)–(b)
Departmental appropriation ^{1,2}		286,252	252,373	33,879
Total		286,252	252,373	33,879
Administered expenses³				
Prior year administered appropriation		–	–	
Outcome 1: Prime Minister and Cabinet		59,886	47,272	
Payments to corporate Commonwealth entities and companies ⁴		126,283	126,283	
Total		186,169	173,555	
Total ordinary annual services	A	472,421	425,928	
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		98,120	98,120	
Total		98,259	98,120	
Total other services	B	98,259	98,120	
Total available annual appropriations and payments	A+B	570,680	524,048	

	Actual available appropriation for 2020–21	Payment made 2020–21	Remaining balance 2020–21
	\$'000 (a)	\$'000 (b)	\$'000 (a)–(b)
Special appropriations			
Special appropriations limited			
By amount			
<i>Assistance for Severely Affected Regions (Coronavirus Economic Response Package) Act 2020⁶</i>	15,494	14,285	
Total special appropriations	C	15,494	14,285
Special accounts⁷			
Opening balance			
Appropriation receipts			
Payments made			
Total special accounts	D		-
Total resourcing and payments			
A+B+C+D	586,174	538,333	
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	586,174	538,333	

¹ Appropriation Act (No 1) 2020–21 and Appropriation Act (No 3) 2020–21. This may also include prior-year departmental appropriation, section 74 retained revenue receipts, permanent quarantine and section 75. For further details refer to Note 5.1 to the financial statements.

² Includes an amount of \$8.209 million in 2020–21 for the departmental capital budget. For accounting purposes, this amount was designated as 'contributions by owners'.

³ Includes an amount of \$1.529 million in 2020–21 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 Prior year equity injections.

⁶ Special appropriation limited by amount and does not extend beyond 30 June 2021.

⁷ Does not include special relevant money held in accounts like the Services for Other Entities and Trust Moneys Special Account.

Expenses for Outcome 1

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

Table 3.24: Expenses for Outcome 1

	Budget* 2020–21	Actual expenses 2020–21	Variation 2020–21
	\$'000 (a)	\$'000 (b)	\$'000 (a)–(b)
Program 1.1: Prime Minister and Cabinet			
<i>Administered expenses</i>			
Ordinary annual services (Appropriation Acts Nos 1, 3 and 5)	177,205	171,524	5,681
Special appropriations	15,504	14,562	942
Special accounts	-	-	-
Expenses not requiring appropriation in the Budget year ²	1,152	1,139	13
<i>Departmental expenses</i>			
Departmental appropriation ¹	244,371	242,691	1,680
Expenses not requiring appropriation in the Budget year ²	10,197	25,027	(14,830)
Total for Program 1.1	448,429	454,943	(6,514)

Outcome 1: Total by appropriation type

<i>Administered expenses</i>			
Ordinary annual services (Appropriation Act No 1)	177,205	171,524	5,681
Special appropriations	15,504	14,562	942
Special accounts	-	-	-
Expenses not requiring appropriation in the Budget year ²	1,152	1,139	13
<i>Departmental expenses</i>			

	Budget* 2020–21	Actual expenses 2020–21	Variation 2020–21
	\$'000 (a)	\$'000 (b)	\$'000 (a)–(b)
Departmental appropriation ¹	244,371	242,691	1,680
Expenses not requiring appropriation in the Budget year ²	10,197	25,027	(14,830)
Total expenses for Outcome 1	448,429	454,943	(6,514)

	2020–21 Budget	2020–21 Actuals	Variation
Average staffing level (number)	1,067	1,008	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, audit fees and services provided free of charge.

Non-compliance with finance law

In 2020–21, the Department had no significant issues under paragraph 19(1)(e) of the *Public Governance, Performance and Accountability Act 2013* relating to non-compliance with the finance law.

Purchasing and procurement

The Department's approach to procuring goods and services, including consultancies, is consistent with, and reflects the principles of, the Commonwealth Procurement Rules.

These rules are applied to activities through PM&C's Accountable Authority Instructions and supporting financial management procedures and guidelines.

The Department's procurement plan is published annually and is available on the AusTender website, www.tenders.gov.au. The plan is updated when circumstances change.

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

There were no contracts in excess of \$10,000 (including GST) or standing offers that were exempted by the Secretary from being published on AusTender on the basis that they would disclose exempt matters under the *Freedom of Information Act 1982*.

Reportable consultancy contracts

Table 3.25: Reportable consultancy contracts, 2020–21

Reportable consultancy contracts	Number	Expenditure \$
New contracts entered into during the reporting period	19	1,115,110
Ongoing contracts entered into during a previous reporting period	11	341,542
TOTAL	30	1,456,652

Table 3.26: Organisations receiving a share of reportable consultancy contract expenditure, 2020–21

Organisations receiving a share of reportable consultancy contract expenditure, 2020–21	Expenditure \$	Proportion of 2020–21 total spend (%)
AlphaBeta Advisors Pty Limited	390,499	27
Australian Government Solicitor	247,548	17
Nous Group Pty Ltd	146,300	10
PriceWaterhouseCoopers Consulting (Australia) Pty Limited	113,599	8
Egon Zehnder International Pty Ltd	79,750	5
TOTAL OF THE LARGEST SHARES	977,696	67

During 2020–21, 19 new reportable consultancy contracts were entered into with total actual expenditure of \$1.12 million. In addition, 11 ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$0.342 million. Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.

The Department engages consultants when specialist expertise or independent research, review or assessment is required. Decisions to engage consultants are made in accordance with the *Public Governance Performance and Accountability Act 2013* (PGPA Act) and related rules, including the Commonwealth Procurement Rules (CPRs) and relevant internal policies.

Reportable non-consultancy contracts

Table 3.27: Reportable non-consultancy contract expenditure, 2020–21

Reportable non-consultancy contracts	Number	Expenditure \$
New contracts entered into during the reporting period	536	51,107,212
Ongoing contracts entered into during a previous reporting period	181	50,410,425
TOTAL	717	101,517,637

Table 3.28: Organisations receiving a share of reportable non-consultancy contract expenditure, 2020–21

Organisations receiving a share of reportable non-consultancy contract expenditure 2020–21	Expenditure \$	Proportion of 2020–21 total spend (%)
Jones Lang Lasalle (ACT) Pty Limited	10,661,699	11
ISPT Pty Ltd	9,812,290	10
Data #3 Limited	4,776,150	5
Telstra Corporation Limited	4,031,497	4
McKinsey Pacific Rim Inc	2,917,750	3
TOTAL OF THE LARGEST SHARES	32,199,386	32

During 2020–21, 536 new reportable non-consultancy contracts were entered into with total actual expenditure of \$51.1 million. In addition, 181 ongoing reportable non-consultancy contracts were active during the period, involving total actual expenditure of \$50.4 million.

Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.

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

Procurement initiatives to support small business

The Department supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the *Department of Finance's* website.

Procurement practices support SMEs by the use of the Commonwealth Contracting Suite for low-risk procurements valued under \$200,000. Practices also support the use of electronic systems such as e-invoicing and payment cards.

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

Advertising and market research

The Department did not undertake media advertising campaigns and therefore did not make any payments to advertising agencies in 2020–21. The Department did not make any payments to direct mail organisations or polling organisations.

In accordance with section 311A of the *Commonwealth Electoral Act 1918*, the following payments of \$14,300 or more (including GST) for non-campaign advertising and market research are set out in Table 3.29.

Table 3.29: Advertising and market research greater than \$14,300

Organisation	Purpose	Expenditure \$
IPSOS Public Affairs Pty Ltd	Market research to support a communication package for automatic mutual recognition of occupational mobility licences	101,409
Qualtrics, Llc	Assist with research on the energy market	50,000
Dynata Global AU Pty Ltd	Assist with research on the uptake and understanding of add-on insurance products	30,002
Mediabrand Australia Pty Ltd	Non-campaign awareness advertising relating to the bushfires	28,772
Mediabrand Australia Pty Ltd	Newspaper notices for the funeral of Major General the Hon Michael Jeffery	24,200
Carbon Media Pty Ltd	Advertising products for the National Office for Child Safety	15,378

Asset management

The Department's asset management policy is set out in the Secretary's Accountable Authority Instructions and supporting financial management procedures. High-value assets are subject to whole-of-life management, including formal tendering for acquisition, scheduled maintenance, and detailed accounting of disposal or return at the end of the useful life of the asset. The Department's asset management practices are designed to protect the interests of the Australian Government.

Grant programs

Information on grants awarded by PM&C during the period 1 July 2020 to 30 June 2021 is published on www.grants.gov.au.

Disability reporting

The National Disability Strategy 2010–2020 was Australia’s overarching framework for disability reform, and Australian Governments remain committed to releasing a new strategy in the second half of 2021. The strategy acts to ensure the principles underpinning the United Nations Convention on the Rights of Persons with Disabilities are incorporated into Australia’s policies and programs that affect people with disability, their families and carers.

All levels of government are accountable for implementing the strategy.

Progress reports can be found at the [Department of Social Services website](#).

In December 2020, the Australian Government released the Australian Public Service Disability Employment Strategy 2020–2025, with the goal of increasing the employment of people with disability across the Australian Public Service to 7 per cent by 2025. Disability reporting is included in the Australian Public Service Commission’s State of the Service reports and the APS Statistical Bulletin. These reports are available at www.apsc.gov.au.

P4

Part 4





Financial statements



INDEPENDENT AUDITOR'S REPORT

To the Prime Minister

Opinion

In my opinion, the financial statements of the Department of the Prime Minister and Cabinet (the Entity) for the year ended 30 June 2021:

- (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 2021 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 2021 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
Valuation of the Administered Investments in Indigenous Business Australia (IBA) and Indigenous Land and Sea Corporation (ILSC)

Refer to Note 4.1C 'Investments in Corporate Commonwealth entities and companies'

I focused on this balance given its significant value to the financial statements and the judgement and estimation involved in determining the fair value of these investments.

These investments are valued by the Entity at the reported net assets of each investee. A significant portion of some investees' assets are valued using discounted cash flow methods.

The complexity of these valuations remains high due to uncertainty associated with determining the ongoing impact of the COVID-19 pandemic on future cash flow estimates used in the asset valuation models and appropriateness of the discount rates used. This was particularly the case for the following investees as the value of these entities' assets are significantly based upon discounted cash flow models:

- 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
- ILSC, given the continued 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 2021 the value of the investments recognised for:

- IBA was \$1,739.7billion; and
- ILSC was \$459.7 million.

How the audit addressed the matter

To address the key audit matter I have:

- for each investee whose net assets are significantly based on discounted cash flow models:
 - 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 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 the COVID-19 against experience during the pandemic period up to 30 June 2021 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. This included comparing the principles applied in management's expert's reports for consistency and where possible assessed 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 assess whether the value of the investment calculated was within a reasonable range.
-

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



Rahul Tejani
Executive Director
Delegate of the Auditor-General

Canberra
20 September 2021

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

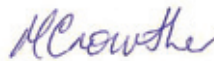
In our opinion, the attached financial statements for the year ended 30 June 2021 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

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.



Philip Gaetjens
Secretary

17 September 2021



Michelle Crowther
Chief Financial Officer

17 September 2021

DEPARTMENT OF THE PRIME MINISTER AND CABINET
STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000	Original budget \$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	139,473	123,123	141,802
Suppliers	1.1B	101,726	97,244	92,016
Grants		-	5,962	45
Depreciation and amortisation	3.2	24,628	19,578	17,250
Finance costs	1.1C	1,477	1,563	2,523
Impairment loss on financial instruments		15	-	-
Write-down and impairment of other assets	3.2	399	322	-
Total expenses		267,718	247,792	253,636
Own-source income				
Own-source revenue				
Revenue from contracts with customers	1.2A	50,992	61,507	43,399
Resources received free of charge	1.2B	6,631	7,172	-
Total own-source revenue		57,623	68,679	43,399
Gains				
Other gains		-	777	1,775
Total gains		-	777	1,775
Total own-source income		57,623	69,456	45,174
Net cost of services		210,095	178,336	208,462
Revenue from Government - departmental appropriations		191,630	165,371	196,869
(Deficit)		(18,465)	(12,965)	(11,593)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation surplus		294	539	-
Total comprehensive (loss)		(18,171)	(12,426)	(11,593)

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
STATEMENT OF FINANCIAL POSITION
as at 30 June 2021

	Notes	2021 \$'000	2020 \$'000	Original budget \$'000
ASSETS				
Financial assets				
Cash and cash equivalents		1,903	8,993	8,992
Trade and other receivables	3.1	36,616	31,658	27,871
Accrued revenue		5,553	4,866	4,865
Total financial assets		44,072	45,517	41,728
Non-financial assets ¹				
Property, plant and equipment	3.2	155,715	162,771	153,674
Intangibles	3.2	13,422	22,758	24,981
Prepayments		5,697	4,728	7,028
Total non-financial assets		174,834	190,257	185,683
Total assets		218,906	235,774	227,411
LIABILITIES				
Payables				
Trade creditors and accruals		9,127	8,501	9,091
Other payables	3.3	4,260	5,548	3,593
Total payables		13,387	14,049	12,684
Interest bearing liabilities				
Leases	3.4	112,206	119,492	113,835
Total interest bearing liabilities		112,206	119,492	113,835
Provisions				
Employee provisions	6.1A	42,232	40,813	42,862
Total provisions		42,232	40,813	42,862
Total liabilities		167,825	174,354	169,381
Net assets		51,081	61,420	58,030
EQUITY				
Contributed equity		173,863	166,031	174,239
Accumulated (deficit)		(126,677)	(108,212)	(119,810)
Reserves		3,895	3,601	3,601
Total equity		51,081	61,420	58,030

¹ Right-of-use assets are included in the property, plant and equipment line item.

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2021

	2021	2020	Original
	\$'000	\$'000	budget
			\$'000
CONTRIBUTED EQUITY			
Opening balance			
Balance carried forward from previous period	166,031	221,226	166,030
Adjusted opening balance	166,031	221,226	166,030
Transactions with owners			
Distributions to owners			
Restructuring ¹	(277)	(68,359)	-
Contributions by owners			
Departmental Capital Budget	8,109	13,164	8,209
Total transactions with owners	7,832	(55,195)	8,209
Closing balance as at 30 June	173,863	166,031	174,239
ACCUMULATED DEFICIT			
Opening balance			
Balance carried forward from previous period	(108,212)	(116,824)	(108,217)
Other ²	-	(492)	-
Adjustment on initial application of AASB 16 ³	-	22,069	-
Adjusted opening balance	(108,212)	(95,247)	(108,217)
Comprehensive income			
(Deficit) for the period	(18,465)	(12,965)	(11,593)
Total comprehensive income	(18,465)	(12,965)	(11,593)
Closing balance as at 30 June	(126,677)	(108,212)	(119,810)

¹ The National Recovery and Resilience Agency (NRRA) was established on 5 May 2021. In the 2019-20 period, the National Indigenous Australians Agency (NIAA) was established on 1 July 2019, and the Deregulation agenda added to the portfolio on 4 December 2019. Refer to Note 8.2 Restructuring.

² Relates to assets recognised by shared service clients.

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

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 2021

	2021	2020	Original budget
	\$'000	\$'000	\$'000
ASSET REVALUATION RESERVE			
Opening balance			
Balance carried forward from previous period	3,601	8,578	3,601
Adjusted opening balance	3,601	8,578	3,601
Comprehensive income			
Restructuring	-	(5,516)	-
Other comprehensive income	294	539	-
Total comprehensive income	294	(4,977)	-
Closing balance as at 30 June	3,895	3,601	3,601
TOTAL EQUITY			
Opening balance			
Balance carried forward from previous period	61,420	112,980	61,414
Other ¹	-	(492)	-
Adjustment on initial application of AASB 16 ²	-	22,069	-
Adjusted opening balance	61,420	134,557	61,414
Comprehensive income			
Other comprehensive income	294	539	-
(Deficit) for the period	(18,465)	(12,965)	(11,593)
Total comprehensive income	(18,171)	(12,426)	(11,593)
Transactions with owners			
Distributions to owners			
Restructuring ³	(277)	(73,875)	-
Contributions by owners			
Departmental Capital Budget	8,109	13,164	8,209
Total transactions with owners	7,832	(60,711)	8,209
Closing balance as at 30 June	51,081	61,420	58,030

¹ Relates to assets recognised by shared service clients.

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

³ The NRRA was established on 5 May 2021. In the 2019-20 period, the NIAA was established on 1 July 2019, and the Deregulation agenda added to the portfolio on 4 December 2019. Refer to Note 8.2 Restructuring.

Accounting Policy

Equity injections

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

Restructuring of administrative arrangements

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

Other distributions to owners

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

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
CASH FLOW STATEMENT
for the period ended 30 June 2021

	2021	2020	Original budget
	\$'000	\$'000	\$'000
OPERATING ACTIVITIES			
Cash received			
Sale of goods and rendering of services	58,371	61,192	43,399
GST received (net)	11,663	14,167	-
Appropriations	<u>237,508</u>	<u>246,209</u>	<u>240,268</u>
Total cash received	<u>307,542</u>	<u>321,568</u>	<u>283,667</u>
Cash used			
Employees	137,251	119,801	140,858
Suppliers	109,471	118,139	89,108
Grants	-	5,962	45
Retained receipts transferred to Official Public Account	58,081	60,913	43,399
Interest payments on lease liabilities	<u>1,477</u>	<u>1,563</u>	<u>2,523</u>
Total cash used	<u>306,280</u>	<u>306,378</u>	<u>275,933</u>
Net cash from operating activities	<u>1,262</u>	<u>15,190</u>	<u>7,734</u>
INVESTING ACTIVITIES			
Cash used			
Purchase of property, plant and equipment	6,790	8,923	10,286
Purchase of intangibles	<u>1,985</u>	<u>4,664</u>	<u>-</u>
Total cash used	<u>8,775</u>	<u>13,587</u>	<u>10,286</u>
Net cash (used by) investing activities	<u>(8,775)</u>	<u>(13,587)</u>	<u>(10,286)</u>
FINANCING ACTIVITIES			
Cash received			
Contributed equity			
Departmental Capital Budget	<u>7,776</u>	<u>11,266</u>	<u>8,209</u>
Total cash received	<u>7,776</u>	<u>11,266</u>	<u>8,209</u>
Cash used			
Principal payments of lease liabilities	<u>7,353</u>	<u>6,036</u>	<u>5,657</u>
Total cash used	<u>7,353</u>	<u>6,036</u>	<u>5,657</u>
Net cash from financing activities	<u>423</u>	<u>5,230</u>	<u>2,552</u>
Net (decrease) / increase in cash held	<u>(7,090)</u>	<u>6,833</u>	<u>-</u>
Cash and cash equivalents at the beginning of the reporting period	<u>8,993</u>	<u>2,160</u>	<u>8,992</u>
Cash and cash equivalents at the end of the reporting period	<u>1,903</u>	<u>8,993</u>	<u>8,992</u>

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 2021

Departmental budget variance	
The below table provides commentary for significant variances between PM&C's original budget estimates, as published in the 2020-21 Portfolio Budget Statements, and the actual expenditure and net asset position for the year.	
Explanation of major variances	Affected line items and statement
<p>Additional taskforces: The ongoing use of taskforces resulted in higher supplier expenses and own-source revenue (for seconded employees from other government entities) than was budgeted.</p>	<p>Supplier expense – Statement of Comprehensive Income</p> <p>Resources received free of charge – Statement of Comprehensive Income</p> <p>Suppliers – Cash Flow Statement</p>
<p>Depreciation and amortisation expense: Newly capitalised projects in 2020-21 contributed to depreciation and amortisation expenditure that was higher than budgeted.</p>	<p>Depreciation and amortisation – Statement of Comprehensive Income</p> <p>Property, plant and equipment – Statement of Financial Position</p> <p>Intangibles – Statement of Financial Position</p>
<p>Revenue from contracts with customer: Revenue for NIAA direct services relating to information and communications technology projects contributed to an increase in revenue that was higher than budgeted.</p>	<p>Revenue from contracts with customer – Statement of Comprehensive Income</p> <p>Sale of goods and rendering of services – 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 2021

	Notes	2021 \$'000	2020 \$'000	Original budget \$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	2.1A	1,667	1,425	1,722
Suppliers	2.1B	1,842	3,656	7,362
Grants	2.1C	56,159	20,989	45,035
Depreciation	4.2	1,113	872	649
Finance costs	2.1D	136	14	143
Write-down and impairment of other assets	4.2	26	283	-
Payments to corporate Commonwealth entities and companies	2.1E	126,283	119,184	124,886
Total expenses		187,226	146,423	179,797
Income				
Non-taxation revenue				
Other revenue	2.2A	10	683	-
Total non-taxation revenue		10	683	-
Total revenue		10	683	-
Total income		10	683	-
Net (cost of) services		(187,216)	(145,740)	(179,797)
(Deficit)		(187,216)	(145,740)	(179,797)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation reserve		177,947	26,638	-
Items subject to subsequent reclassification to net cost of services				
Actuarial loss – former Governors-General entitlements	6.1C	1,635	(593)	-
Other		118	-	-
Total other comprehensive income		179,700	26,045	-
Total comprehensive income/(loss)		(7,516)	(119,695)	-

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 2021**

	Notes	2021 \$'000	2020 \$'000	Original budget \$'000
ASSETS				
Financial assets				
Cash	4.1A	-	1,342	1,342
Trade and other receivables	4.1B	2,017	73	73
Investments in corporate Commonwealth entities	4.1C	2,870,473	2,597,098	2,704,355
Total financial assets		2,872,490	2,598,513	2,705,770
Non-financial assets				
Property, plant and equipment ¹	4.2	53,519	51,567	54,283
Prepayments		59	174	174
Total non-financial assets		53,578	51,741	54,457
Total assets administered on behalf of Government		2,926,068	2,650,254	2,760,227
LIABILITIES				
Payables				
Trade creditors and accruals		163	148	148
Other payables	4.3A	49	437	437
Total payables		212	585	585
Interest bearing liabilities				
Leases	4.4	905	1,314	999
Total interest bearing liabilities		905	1,314	999
Provisions				
Employee provisions	6.1B	591	458	490
Non-cash benefits – former Governors-General	6.1C	15,330	18,008	16,890
Make good provisions		372	324	-
Total provisions		16,293	18,790	17,380
Total liabilities administered on behalf of Government		17,410	20,689	18,964
Net assets		2,908,658	2,629,565	2,741,263

¹ Right-of-use assets are included in the property, plant and equipment.

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

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
ADMINISTERED BUDGET COMMENTARY
as at 30 June 2021**

Administered budget variance

The below table provides commentary for significant variances between PM&C's original budget estimates for administered functions, as published in the 2020-21 Portfolio Budget Statements, and the actual expenditure and net asset position for the year.

Explanation of major variances

Affected line items and statement

Grants: Additional funding was received following the 2020-21 original budget for the National Australia Day Council for the Strategic Communication Campaign.

Grants – Administered Schedule of Comprehensive Income

Supplier expense: Reduction in official visits, functions and travel due to COVID-19 related restrictions starting March 2020 that has continued throughout 2020-21.

Supplier expense – Administered Schedule of Comprehensive Income

Changes in asset revaluation reserve: Movement in net asset balance in investments in corporate Commonwealth entities and companies which has not been budgeted.

Changes in asset revaluation reserve – Administered Scheduled of Comprehensive Income
Investments in corporate Commonwealth entities – Administered Schedule of Assets and Liabilities
Revaluation transferred to reserves – Administered Reconciliation Schedule

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 2021

	2021	2020
	\$'000	\$'000
Opening assets less liabilities as at 1 July	2,629,565	3,564,839
Adjustment on initial application of AASB 16 ¹	-	(1)
Adjusted opening assets less liabilities	2,629,565	3,564,838
Net cost of services		
Income	10	683
Expenses		
Payments to entities other than corporate Commonwealth entities and companies	(60,943)	(27,239)
Payments to corporate Commonwealth entities and companies	(126,283)	(119,184)
Other comprehensive income		
Revaluations transferred to reserves	177,947	26,638
Actuarial gain/(loss) through equity	1,753	(593)
Transfers (to)/from the Australian Government		
Appropriation transfers from Official Public Account		
Annual appropriation for administered expenses (non-corporate Commonwealth entities and companies)	49,959	29,446
Annual appropriation for payment to corporate Commonwealth entities and companies	126,283	119,184
Special appropriations (non-corporate Commonwealth entities and companies)	14,562	-
Transfers (to) Official Public Account	(2,315)	(17,005)
Equity injection to corporate Commonwealth entities and companies	98,120	25,035
Restructuring ²	-	(972,238)
Closing assets less liabilities as at 30 June	2,908,658	2,629,565

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

² The NRRRA was established on 5 May 2021. In the 2019-20 period, the NIAA was established on 1 July 2019, and Old Parliament House (OPH) transferred to the portfolio on 8 August 2019. Refer to Note 8.2 Restructuring.

Accounting Policy

Administered cash transfers to and from the Official Public Account

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

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

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
ADMINISTERED CASH FLOW STATEMENT
for the period ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000
OPERATING ACTIVITIES			
Cash received			
GST received (net)		718	15,757
Other		10	671
Total cash received		<u>728</u>	<u>16,428</u>
Cash used			
Employees		1,525	1,339
Suppliers		5,773	5,299
Grant payments		56,159	21,270
Payments to corporate Commonwealth entities and companies		126,283	119,184
Interest payments on lease liabilities		11	14
Total cash used		<u>189,751</u>	<u>147,106</u>
Net cash (used by) operating activities		<u>(189,023)</u>	<u>(130,678)</u>
INVESTING ACTIVITIES			
Cash used			
Purchase of property, plant and equipment		291	758
Payments to corporate Commonwealth entities and companies		98,120	25,035
Total cash used		<u>98,411</u>	<u>25,793</u>
Net cash (used by) investing activities		<u>(98,411)</u>	<u>(25,793)</u>
FINANCING ACTIVITIES			
Cash used			
Transfers due to restructure ¹		-	37,552
Principal payments of lease liabilities		517	356
Total cash used		<u>517</u>	<u>37,908</u>
Net cash (used by) financing activities		<u>(517)</u>	<u>(37,908)</u>
Net (decrease) in cash held		<u>(287,951)</u>	<u>(194,379)</u>
Cash and cash equivalents at the beginning of the reporting period		1,342	39,062
Cash from Official Public Account			
Appropriations		274,362	173,665
Special Appropriations		14,562	-
Total cash from the Official Public Account		<u>288,924</u>	<u>173,665</u>
Cash to Official Public Account			
Appropriations		(2,315)	(17,005)
Total cash to the Official Public Account		<u>(2,315)</u>	<u>(17,005)</u>
Cash and cash equivalents at the end of the reporting period	4.1A	<u>-</u>	<u>1,342</u>

¹ Refer 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 2021

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DEPARTMENT OF THE PRIME MINISTER AND CABINET NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the period ended 30 June 2021

Overview

Objectives of the Department of the Prime Minister and Cabinet

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

On 5 May 2021, the Government established NRRA to support local communities. The new agency subsumed the functions of the National Bushfire Recovery Agency and the non-drought policy development functions of the National Drought and North Queensland Flood Response and Recovery Agency.

Basis of preparation of the financial statements

The financial statements are general purpose financial statements and are required by section 42 of the PGPA.

The financial statements have been prepared in accordance with:

- *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; 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.

The Department has assessed the impact of COVID-19 pandemic on the balances included in its financial statements. The fair value of its land, buildings and 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 and companies and Note 4.2 Administered – Non-financial Assets.

The Department has concluded that COVID-19 has not had a material impact on the fair value of these assets.

The COVID impact also has an effect on the carrying value of administered investment. Further information is included in the accounting policy for Note 4.1C Investments on corporate Commonwealth entities.

Taxation

The Department is exempt from all forms of taxation except Fringe Benefits Tax (FBT), the Goods and Services Tax (GST) and Mining Withholding Tax.

New Australian accounting standards

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

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

Event after the reporting period

There were no events occurring after 30 June 2021 that would have a material impact on the financial statements.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2021

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 2021.

1.1. Expenses

	2021	2020
	\$'000	\$'000
Note 1.1A: Employee benefits		
Wages and salaries	108,339	92,680
Superannuation		
Defined contribution plans	12,301	9,987
Defined benefit plans	7,104	6,481
Leave and other entitlements	10,485	11,558
Separation and redundancies	539	1,715
Other	705	702
Total employee benefits	139,473	123,123
Note 1.1B: Suppliers		
Goods and services		
Consultants, legal, contractors and secondees	56,202	49,307
Equipment, repairs and maintenance	883	440
General expenses	8,933	9,026
Venue hire	86	120
Office accommodation, facility management and security	4,290	5,988
Information, communication and technology	29,780	28,880
Travel	1,064	2,578
Total goods and services supplied and rendered	101,238	96,339
Goods supplied	4,039	3,224
Services rendered	97,199	93,115
Total goods and services	101,238	96,339
Other suppliers		
Short-term leases	178	264
Workers compensation expenses	310	641
Total other supplier expenses	488	905
Total suppliers	101,726	97,244

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

Accounting Policy

Short-term leases and leases of low-value assets

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

Note 1.1C: Finance costs

Interest on lease liabilities	1,477	1,563
Total finance costs	1,477	1,563

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2021

1.2. Own-source revenue		
	2021	2020
	\$'000	\$'000
Own-source revenue		
Note 1.2A: Revenue from contracts with customers		
Revenue from contracts with customers	50,992	61,507
Total revenue from contracts with customers	50,992	61,507
Disaggregation of revenue from contracts with customers		
Delivery of services	48,049	53,779
Cost recovery	2,943	7,728
	50,992	61,507
Type of customer:		
Government entities (related parties)	49,370	58,578
Non-government entities	1,622	2,929
	50,992	61,507
Timing of transfer of goods and services:		
Over time	50,992	61,507
	50,992	61,507

Accounting Policy

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

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

PM&C's principal activity in generating revenue is through the delivery of corporate services. 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	6,139	5,821
Volunteer services	282	1,149
Other	210	202
Total resources received free of charge	6,631	7,172

Accounting Policy

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

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2021

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

	2021	2020
	\$'000	\$'000
<u>Note 2.1A: Employee benefits</u>		
Wages and salaries	1,208	1,158
Superannuation		
Defined contribution plans	148	125
Defined benefit plans	52	52
Leave and other entitlements	253	90
Separation and redundancies	6	-
Total employee benefits	1,667	1,425
<u>Note 2.1B: Suppliers</u>		
Goods and services		
Outsourced providers, contractors and consultants	207	602
Equipment, repairs and maintenance	643	551
General expenses	576	713
Travel	316	1,662
Information, communication and technology	96	115
Total goods and services	1,838	3,643
Goods supplied	363	659
Services rendered	1,475	2,984
Total goods and services supplied and rendered	1,838	3,643
Other suppliers		
Workers compensation expenses	4	13
Total other supplier expenses	4	13
Total suppliers	1,842	3,656

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2021

	2021	2020
	\$'000	\$'000
Note 2.1C: Grants		
Public sector		
Government entities	31,020	17,437
Private sector		
Non-profit organisations	20,306	3,392
Commercial entities	4,833	160
Total grants	56,159	20,989
Program 1.1 - Prime Minister and Cabinet	56,159	20,989
Total grants	56,159	20,989

Accounting Policy

PM&C administers a small number of grants 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.

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

Note 2.1D: Finance costs

Service costs	125	-
Interest on lease liabilities	11	14
Total finance costs	136	14

The above lease disclosures should be read in conjunction with the accompanying note 4.4.

Note 2.1E: Payments to corporate Commonwealth entities and companies

Aboriginal Hostels Limited	35,941	36,241
Australian Institute of Aboriginal and Torres Strait Islander Studies	19,437	20,371
Indigenous Business Australia	9,546	9,538
Indigenous Land and Sea Corporation	8,402	8,572
Old Parliament House	16,879	8,565
Torres Strait Regional Authority	36,078	35,897
Total payments to corporate Commonwealth entities and companies	126,283	119,184

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 2021

2.2. Administered – Income

	2021	2020
	\$'000	\$'000
Note 2.2A: Other revenue		
Return of grant funding	-	2
Other	10	681
Total other revenue	10	683

Accounting Policy

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

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

for the period ended 30 June 2021

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

	2021	2020
	\$'000	\$'000
Note 3.1: Trade and other receivables		
Goods and services receivables		
Goods and services	2,389	10,134
Total goods and services receivables	<u>2,389</u>	<u>10,134</u>
Appropriation receivables		
Existing programs	32,114	19,578
Total appropriation receivables	<u>32,114</u>	<u>19,578</u>
Other receivables		
Statutory receivables	2,115	1,981
Total other receivables	<u>2,115</u>	<u>1,981</u>
Total trade and other receivables – gross	<u>36,618</u>	<u>31,693</u>
Less impairment loss allowance		
Goods and services	(2)	(35)
Total impairment loss allowance	<u>(2)</u>	<u>(35)</u>
Total trade and other receivables – net	<u>36,616</u>	<u>31,658</u>

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2021**

3.2. Non-financial assets

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

	Buildings \$'000	Leasehold improvements \$'000	Plant and equipment \$'000	Computer software internally developed \$'000	Computer software purchased \$'000	Total \$'000
As at 1 July 2020						
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 1 July 2020	117,079	36,060	9,632	22,241	517	185,529
Other adjustments ¹	(505)	(4,653)	6,897	(1,578)	(161)	-
Adjusted total as at 1 July 2020	116,574	31,407	16,529	20,663	356	185,529
Additions						
Purchase	-	1,162	5,628	1,985	-	8,775
Right-of-use assets	-	-	86	-	-	86
Revaluations and impairments recognised in other comprehensive income	-	73	221	-	-	294
Restructuring ²	-	-	(116)	(404)	-	(520)
Reclassifications	-	(118)	118	-	-	-
Depreciation and amortisation	-	(2,512)	(3,286)	(9,101)	(77)	(14,976)
Depreciation on right-of-use assets	(9,598)	-	(54)	(399)	-	(9,652)
Disposals	-	-	-	-	-	(399)
Total as at 30 June 2021	106,976	30,012	18,727	13,143	279	169,137
Total as at 30 June 2021 represented by						
Gross book value	-	-	-	35,166	814	35,980
Fair value	129,735	47,283	19,288	-	-	196,306
Work in progress	-	903	736	736	120	8,877
Accumulated depreciation, amortisation and impairment	(22,759)	(18,174)	(7,679)	(22,759)	(655)	(72,026)
Total as at 30 June 2021	106,976	30,012	18,727	13,143	279	169,137
Carrying amount of right-of-use assets ³	106,976	-	51	-	-	107,027

There are no contractual commitments for the acquisition of IT equipment and other capital works payable in 2021 (2020: \$nil).

¹ Relates to assets work in progress balances re-classified among the PM&C asset classes.

² The NRRRA was established on 5 May 2021. Refer to Note 8.2 Restructuring.

³ Relates to asset closing balance for right-of-use assets as at 30 June 2021.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2021

Accounting Policy

Asset recognition threshold

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

The initial cost of an asset includes (where relevant) an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 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 recognition.

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

Leased right-of-use (ROU) assets

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

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

Revaluations

Following initial recognition at cost, property, plant and equipment (excluding ROU assets) are carried at fair value (or an amount not materially different from fair value) 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 fair value as at the reporting date. The regularity of independent valuations depends upon volatility of movements in market values for the relevant assets.

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

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

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

Significant accounting judgements and estimates

In 2020-21, PM&C procured the services of independent valuation experts to perform a desktop valuation of departmental property, plant and equipment and leasehold improvements as at 30 June 2021.

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, while 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. PM&C will revalue its assets again in 2021-22.

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2021

Accounting Policy (continued)

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

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

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

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 no assets held for sale (2020: \$nil).

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 2020-21.

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

Depreciation and amortisation

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

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

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

Asset class	Useful lives
Buildings excluding leasehold improvements	3 to 50 years (2020: 3 to 50 years)
Leasehold improvements	Lease term (2020: Lease term)
Plant and equipment	1 to 25 years (2020: 1 to 25 years)
Intangibles	1 to 5 years (2020: 1 to 5 years)

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

De-recognition

An item of property, plant and equipment is de-recognised upon disposal or when no further future economic benefits is 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 2021

3.3. Payables

	2021	2020
	\$'000	\$'000
<u>Note 3.3: Other payables</u>		
Salaries, wages and superannuation	2,503	1,954
Unearned income	376	606
Other	1,381	2,988
Total other payables	4,260	5,548

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3.4. Interest bearing liabilities

	2021	2020
	\$'000	\$'000
Note 3.4: Leases		
Lease liabilities		
Buildings	112,158	119,455
Plant and equipment	<u>48</u>	<u>37</u>
Total lease liabilities	<u>112,206</u>	<u>119,492</u>

Total cash outflows for leases for the year ended 30 June 2021 was \$9.008 million (2020: \$7.599 million).

Maturity analysis - contractual undiscounted cash flows

Less than 12 months	9,112	8,796
Between one to five years	38,227	37,618
More than five years	<u>73,890</u>	<u>83,578</u>
Total leases	<u>121,229</u>	<u>129,992</u>

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

- 1) One National Circuit, Barton, ACT – The lease has a remaining term of 11.67 years. There are no options to extend this lease and the lease expiry date is 16 February 2033.
- 2) 10 National Circuit, Barton, ACT – The lease has a remaining term of three years. There is an option to extend this lease by two years at the lease expiry date of 31 July 2024.

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

Accounting Policy

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

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

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

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4. Assets and liabilities administered on behalf of Government

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

4.1. Administered – Financial assets

	2021	2020
	\$'000	\$'000
Note 4.1A: Cash and cash equivalents		
Cash on hand	-	1,342
Total cash and cash equivalents	-	1,342
Note 4.1B: Trade and other receivables		
Other receivables		
Statutory receivables	2,017	73
Grants receivable	-	146
Total other receivables	2,017	219
Total trade and other receivables – gross	2,017	219
Less impairment loss allowance		
Grants receivables	-	(146)
Total impairment loss allowance	-	(146)
Total trade and other receivables – net	2,017	73
Note 4.1C: Investments in corporate Commonwealth entities and companies		
Equity interest in:		
Aboriginal Hostels Limited	145,115	143,347
Anindilyakwa Land Council	19,890	16,512
Australian Institute of Aboriginal and Torres Strait Islander Studies	44,715	44,254
Central Land Council	74,525	44,091
Indigenous Land and Sea Corporation	459,716	455,486
Indigenous Business Australia	1,739,656	1,552,467
National Australia Day Council Limited	1,105	932
Northern Land Council	56,633	31,431
Outback Stores Pty Ltd	40,907	41,120
Tiwi Land Council	11,583	7,144
Torres Strait Regional Authority	88,710	87,357
Wreck Bay Aboriginal Community Council	70,629	57,547
Old Parliament House	117,289	115,410
Total investments in corporate Commonwealth entities and companies	2,870,473	2,597,098

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

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Investment in corporate Commonwealth entities and companies

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

Aboriginal Hostels Limited

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

Australian Institute of Aboriginal and Torres Strait Islander Studies

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

Land Councils

The Land Councils include:

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

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

Indigenous Land and Sea Corporation

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

Indigenous Business Australia

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

National Australia Day Council Limited

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.

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Investment in Commonwealth entities (continued)

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

Administered investments are classified through other comprehensive income and are measured at fair value as at 30 June 2021. Fair value has been taken to be the Government's proportional interest in the net assets as advised by the entities as at the end of the reporting period, recorded in the latest management accounts or unaudited financial statements provided.

Corporate Commonwealth entities and companies are subject to prevailing economic conditions which include the impact of the COVID-19 pandemic. The COVID pandemic has not caused any significant impacts to the amounts recorded for assets and liabilities as at 30 June 2021. However, it should be noted that the ongoing impact from COVID-19 into the future continues to be monitored.

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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 2020					
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 1 July 2020	43,250	7,117	634	566	51,567
Adjusted total as at 1 July 2020	43,250	7,117	634	566	51,567
Additions					
Purchases	-	39	196	56	291
Right-of-use assets	-	-	-	108	108
Revaluations recognised in other comprehensive income	2,300	282	47	63	2,692
Depreciation expense	-	(232)	(207)	(131)	(570)
Depreciation on right-of-use assets	-	(489)	-	(54)	(543)
Write-down and impairments	-	-	(26)	-	(26)
Total as at 30 June 2021	45,550	6,717	644	608	53,519
Total as at 30 June 2021 represented by					
Fair value	45,550	7,831	597	1,321	55,299
Work in progress	-	39	80	59	178
Accumulated depreciation and impairment	-	(1,153)	(33)	(772)	(1,958)
Total as at 30 June 2021	45,550	6,717	644	608	53,519
Carrying amount of right-of-use assets ¹	-	828	-	54	882

There are no contractual commitments for the acquisition of IT equipment and other capital works payable in 2021 (2020: \$nil).

¹ Relates to asset closing balance for right-of-use assets as at 30 June 2021.

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Accounting Policy

Revaluation

In 2020-21, PM&C procured the services of independent valuation experts to perform a desktop valuation of administered land, buildings and property, plant and equipment and leasehold improvements assets as at 30 June 2021.

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, while 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.

Depreciation

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

Asset class	Useful lives
Buildings excluding leasehold improvements	22 to 30 years (2020: 22 to 30 years)
Leasehold improvements	Lease term (2020: Lease term)
Plant and equipment	5 to 114 years (2020: 5 to 114 years)

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4.3. Administered – Payables

	2021	2020
	\$'000	\$'000
Note 4.3A: Other payables		
Salaries, wages and superannuation	33	24
Other	16	413
Total other payables	<u>49</u>	<u>437</u>

4.4. Administered – Interest bearing liabilities

Note 4.4: Leases		
Lease liabilities		
Buildings	851	1,314
Plant and equipment	54	-
Total finance leases	<u>905</u>	<u>1,314</u>
Maturity analysis - contractual undiscounted cash flows		
Less than 12 months	463	473
Between one to five years	452	861
More than five years	-	-
Total leases	<u>915</u>	<u>1,334</u>

Total cash outflows for leases for the year ended 30 June 2021 was \$0.53 million (2020: \$0.37 million).

PM&C in its capacity as a lessee has a total of nine significant administered leases split into five properties leases and four motor vehicle leases. The details of significant property leases are as follows.

- 1) 2 George Street Brisbane QLD – The lease has a remaining term of 2.75 years. There are no options to extend this lease and the lease expiry date is 31 March 2024.
- 2) 1st Floor Murray Crescent Griffith ACT – The lease has a remaining term of 0.83 years. The lease is currently under negotiation to be surrendered after 30 June 2021.
- 3) Ground Floor Murray Crescent Griffith ACT – The lease has a remaining term of 0.83 years. There are no options to extend this lease and the lease expiry date is 30 April 2022.
- 4) Suite 1 Level 13 139 Macquarie Street Sydney NSW – The lease has a remaining term of 2.92 years. There are no options to extend this lease and the lease expiry date is 31 May 2024.
- 5) Waterfront Place Brisbane QLD (Building and Car park) – The lease has a remaining term of 0.6 years. There are no options to extend this lease and the lease expiry date is 31 January 2022.

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

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5. Funding

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

5.1. Appropriations

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

	2021 \$'000	2020 \$'000
Ordinary annual services		
Annual Appropriation		
Operating	197,801	308,803
Capital budget	8,209	20,174
Section 74 receipts	58,081	60,926
Section 75 transfers	(6,271)	(112,458)
Total available appropriation	257,820	277,445
Appropriation applied (current and prior years)	(252,373)	(250,658)
Variance	5,447	26,787
Opening unspent appropriation balance	126,446	110,979
Repeal of <i>Appropriation Acts 2016-17</i>	-	(11,320)
Repeal of <i>Appropriation Acts 2017-18</i>	(13,963)	-
Closing unspent appropriation balance	117,930	126,446
Balance comprises appropriations as follows: ¹		
<i>Appropriation Act (No. 1) 2017-18 – Capital Budget (DCB) – Non Operating</i>	-	3,795
<i>Appropriation Act (No. 1) 2017-18</i>	-	10,168
<i>Appropriation Act (No. 1) 2018-19</i>	4,000	4,000
<i>Appropriation Act (No. 1) 2019-20</i>	73,341	90,703
<i>Appropriation Act (No. 1) 2019-20 – Capital Budget (DCB) – Non Operating</i>	6,710	8,787
<i>Appropriation Act (No. 1) 2019-20²</i>	-	8,993
<i>Appropriation Act (No. 1) 2020-21</i>	28,734	-
<i>Appropriation Act (No. 1) 2020-21 – Capital Budget (DCB) – Non Operating</i>	2,310	-
<i>Appropriation Act (No. 3) 2020-21</i>	932	-
<i>Appropriation Act (No. 1) 2020-21²</i>	1,903	-
Total unspent appropriation – ordinary annual services	117,930	126,446
Other services		
Annual Appropriation		
Equity injections	-	791
Total available appropriation	-	791
Appropriation applied (current and prior years)	-	-
Variance	-	791
Opening unspent appropriation balance	139	7,063
Prior year section 75 transfers	-	(7,715)
Closing unspent appropriation balance	139	139
<i>Appropriation Act (No. 2) 2018-19 – Non Operating – Equity Injection</i>	139	139
Total unspent appropriation – other services	139	139
Total unspent appropriation	118,069	126,585

¹ The unspent annual appropriation is shown inclusive of Section 51 permanent quarantines against *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. Quarantine amounts against 2019-20 relate to the NIAA restructure (refer Note 8.2) with appropriation permanently quarantined rather than a reduction via s75 of the *PGPA Act*.

² Cash held by the department. Refer to 'Cash and cash equivalents'.

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Note 5.1B: Administered annual and unspent appropriations (recoverable GST exclusive)		
	2021	2020
	\$'000	\$'000
Ordinary annual services		
Annual Appropriation		
Operating	52,364	558,971
Capital budget	1,529	1,233
Payments to corporate Commonwealth entities/companies	126,283	119,184
Section 74 receipts	-	514
Section 75 transfers	-	(563,430)
Total available appropriation	180,176	116,472
Appropriation applied (current and prior years)	(173,555)	(147,921)
Variance	6,621	(31,449)
Opening unspent appropriation balance	7,230	77,895
Repeal of <i>Annual Appropriation Acts 2016-17</i>	-	(39,216)
Repeal of <i>Annual Appropriation Acts 2017-18</i>	(1,237)	-
Closing unspent appropriation balance	12,614	7,230
Balance comprises appropriations as follows:		
<i>Appropriation Act (No. 1) 2017-18</i>	-	984
<i>Appropriation Act (No. 1) 2017-18 – Capital Budget (DCB) – Non Operating</i>	-	253
<i>Appropriation Act (No. 1) 2018-19</i>	107	107
<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 – Capital Budget (DCB) – Non Operating</i>	407	407
<i>Supply Act (No. 1) 2019-20 – Capital Budget (DCB) – Non Operating</i>	514	514
<i>Appropriation Act (No. 3) 2019-20</i>	2,203	2,203
<i>Appropriation Act (No. 1) 2020-21</i>	88	-
<i>Appropriation Act (No. 1) 2020-21 – Capital Budget (DCB) – Non Operating</i>	637	-
<i>Appropriation Act (No. 3) 2020-21</i>	5,178	-
<i>Supply Act (No. 1) 2020-21 – Capital Budget (DCB) – Non Operating</i>	718	-
Total unspent appropriation – ordinary annual services	12,614	7,230
Other services		
Annual Appropriation		
Payments to corporate Commonwealth entities/companies	98,120	25,035
Total available appropriation	98,120	25,035
Appropriation applied (current and prior years)	(98,120)	(25,035)
Variance	-	-
Total unspent appropriation	12,614	7,230

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Note 5.1C: Special appropriations (recoverable GST exclusive)

Authority	Appropriation applied	
	2021	2020
	\$'000	\$'000
<i>Assistance for Severely Affected Regions (Special Appropriation)</i> <i>(Coronavirus Economic Response Package) Act 2020</i> ¹	14,285	-
Total	14,285	-

¹Special appropriation limited by amount (total \$15.494 million) ceasing 30 June 2021.

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
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5.2. Special Accounts

	Aboriginal and Torres Strait Islander				Indigenous Remote Services Delivery Special Account ³		Aboriginals Benefit Account ⁴	
	Services for Other Entities and Trust Moneys (SOETM) ¹		Corporations Unclaimed Money Account ²		2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance brought forward from previous period	-	1,864	-	979	-	25,782	-	9,154
Increases								
Administered								
Other receipts	-	100	-	-	-	-	-	-
Total increase	-	100	-	-	-	-	-	-
Available for payments	-	1,964	-	979	-	25,782	-	9,154
Decreases								
Administered								
Transfers due to restructure	-	(1,637)	-	(979)	-	(25,782)	-	(9,154)
Payments made	-	(327)	-	-	-	-	-	-
Total decreases	-	(1,964)	-	(979)	-	(25,782)	-	(9,154)
Total balance carried to the next period	-	-	-	-	-	-	-	-
Balance represented by:								
Total balance carried to the next period	-	-	-	-	-	-	-	-

The Special Accounts above were transferred to NIAA on 1 July 2019. PM&C retains SOETM however there were no transactions or balances in 2020-21.

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

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

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

This account is non-interest bearing.

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.

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6. People

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

6.1. Employee provisions

	2021	2020
	\$'000	\$'000
<u>Note 6.1A: Employee provisions</u>		
Annual leave	16,426	15,058
Long service leave	<u>25,806</u>	<u>25,755</u>
Total employee provisions	<u>42,232</u>	<u>40,813</u>

Accounting policy and significant accounting judgements

Employee benefits

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

Leave

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

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

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

Separation and redundancy

A liability is made for separation and redundancy benefit payments. PM&C recognises a liability for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

Superannuation

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

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

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

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

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	2021	2020
	\$'000	\$'000
<u>Note 6.1B: Administered employee provisions</u>		
Annual leave	218	194
Long service leave	373	264
Total employee provisions	591	458

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	15,330	18,008
Total non-cash benefits - former Governors-General benefits	15,330	18,008

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

Net liability at 1 July 2020	18,008	18,909
Finance costs	125	236
Actuarial gains/(losses)	(1,634)	593
Benefits paid	(1,169)	(1,730)
Net liability at 30 June 2021	15,330	18,008

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

Discount rate at 30 June 2021	1.27%	0.69%
Future salary increases	3.00%	2.90%
Inflation rate	2.20%	1.97%
Rate of expenditure slow down over time	1.50%	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.

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6.2. Key management personnel remuneration		
	2021	2020
	\$'000	\$'000
Short-term employee benefits	2,706	3,332
Post-employment benefits	434	467
Other long-term employee benefits	64	107
Termination benefits	-	880
Total key management personnel remuneration expenses ¹	<u>3,204</u>	<u>4,786</u>

The total number of key management personnel included in the above table is six (2020: 13).

The department has decreased its key management personnel since 2019-20, due to an internal restructure reducing the number of senior executive roles and a reduction in the number of acting arrangements throughout the year.

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 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

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 2021**

7. Managing uncertainties

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

7.1. Contingent assets and liabilities

Note 7.1A: Contingent assets and liabilities

Quantifiable contingencies

The department holds no legal quantifiable contingent assets or liabilities as at 30 June 2021 (2020: nil).

Unquantifiable contingencies

As at 30 June 2021, the department had contingent gains likely to be receipted that are not quantifiable. There are five open legal matters relating to a range of legal issues with varying probabilities of success. It is not possible to estimate the amounts and any eventual receipts or payments that may be received or made in relation to these claims.

Accounting Policy

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

Note 7.1B: Administered contingent assets and liabilities

PM&C is not aware of any material administered quantifiable or unquantifiable contingent assets or liabilities as at 30 June 2021.

7.2. Financial instruments

	2021	2020
	\$'000	\$'000
Note 7.2A: Categories of financial instruments		
Financial assets at amortised cost		
Cash and cash equivalents	1,903	8,993
Goods and services receivables (net)	1,158	2,831
Accrued revenue	5,553	4,866
Total financial assets at amortised cost	8,614	16,690
Total financial assets	8,614	16,690
Financial liabilities		
Financial liabilities measured at amortised cost		
Trade creditors and accruals	9,127	8,501
Total financial liabilities measured at amortised cost	9,127	8,501
Total financial liabilities	9,127	8,501
Note 7.2B: Net gains or losses on financial assets		
Financial assets at amortised cost		
Impairment	(15)	-
Reversal of impairment	-	777
Net gains/(losses) on financial assets at amortised cost	(15)	777
Net gain/(loss) on financial assets	(15)	777

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2021

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

	2021	2020
	\$'000	\$'000
Note 7.3A: Categories of financial instruments		
Financial assets at amortised cost		
Cash	-	1,342
Total financial assets at amortised cost	-	1,342
Financial assets at fair value through other comprehensive income		
Investments in corporate Commonwealth entities	2,870,473	2,597,098
Total financial assets at fair value through other comprehensive income	2,870,473	2,597,098
Total financial assets	2,870,473	2,598,440
Financial liabilities		
Financial liabilities measured at amortised cost		
Trade creditors and accruals	163	148
Total financial liabilities measured at amortised cost	163	148
Total financial liabilities	163	148
Note 7.3B: Net gains or losses on financial instruments		
Investment in equity instruments at fair value through other comprehensive income		
Changes in investments in corporate Commonwealth entities	175,255	27,018
Net gain on investments in equity instruments at fair value through other comprehensive income	175,255	27,018

Accounting Policy

Administered investments

Administered investments are classified through other comprehensive income and are measured at fair value as at 30 June 2021. 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 2021

8. Other information

8.1. Current/non-current distinction for assets and liabilities

	2021	2020
	\$'000	\$'000
Note 8.1A: Current/non-current distinction for assets and liabilities		
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	1,903	8,993
Trade and other receivables	36,616	31,658
Prepayments	4,736	4,040
Accrued revenue	5,553	4,866
Total no more than 12 months	48,808	49,557
More than 12 months		
Leasehold improvements	30,012	36,060
Buildings	106,976	117,079
Plant and equipment	18,727	9,632
Intangibles	13,422	22,758
Prepayments	961	688
Total more than 12 months	170,098	186,217
Total assets	218,906	235,774
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	9,127	8,501
Other payables	4,260	5,548
Leases	7,729	289
Employee leave	15,493	20,434
Total no more than 12 months	36,609	34,772
More than 12 months		
Leases	104,477	119,203
Employee leave	26,739	20,379
Total more than 12 months	131,216	139,582
Total liabilities	167,825	174,354

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2021

	2021	2020
	\$'000	\$'000
<u>Note 8.1B: Administered – Current/non-current distinction for assets and liabilities</u>		
Assets expected to be recovered in:		
No more than 12 months		
Cash	-	1,342
Trade and other receivables	2,017	73
Prepayments	59	174
Total no more than 12 months	2,076	1,589
More than 12 months		
Property, plant and equipment	53,519	51,567
Investments in corporate Commonwealth entities	2,870,473	2,597,098
Total more than 12 months	2,923,992	2,648,665
Total assets	2,926,068	2,650,254
Liabilities expected to be settled in:		
No more than 12 months		
Trade creditors and accruals	163	148
Other payables	49	437
Leases	457	458
Employee provisions	209	178
Total no more than 12 months	878	1,221
More than 12 months		
Leases	448	856
Employee provisions	382	280
Non-cash benefits – former Governors-General	15,330	18,008
Make good provisions	372	324
Total more than 12 months	16,532	19,468
Total liabilities	17,410	20,689

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2021

8.2. Restructuring

The National Recovery and Resilience Agency (NRRRA) was established as a new agency as at 5 May 2021. The National Bushfire and Recovery Agency function has been relinquished by the department and transferred to NRRRA as at that date.

	FUNCTION RELINQUISHED		
	2021	2020	
	National Recovery and Resilience Agency	Indigenous Affairs National Indigenous Australians Agency ¹	
	\$'000	\$'000	\$'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	116	-	75,152
Intangibles	404	-	11,535
Assets held for sale	-	-	1,012
Other non-financial assets	-	3,677	-
Total assets relinquished	520	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	225	49	48,079
Make good provisions	18	-	642
Total liabilities relinquished	243	35,049	66,846
Net assets relinquished	277	1,089,984	73,852
Equity relinquished			
Reserves	-	-	5,516
Total equity relinquished	-	-	5,516

¹ The NIAA was established in the PM&C Portfolio on 1 July 2019. Indigenous Affairs functions were relinquished by the Department and transferred to NIAA as at that date.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2021

	FUNCTION ASSUMED		
	2021	2020	
		Deregulation – Department of Employment, Skills, Small and Family Business ²	Old Parliament House Department of Communications and the Arts ³
	\$'000	\$'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

² 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.

³ 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.

P5

Part 5



AUSTRALIA



Glossary and indexes

List of abbreviations

ABS	Australian Bureau of Statistics
APS	Australian Public Service
AGCMF	Australian Government Crisis Management Framework
APSC	Australian Public Service Commission
ARC	Audit and Risk Committee
ARO	APS Reform Office
ASEAN	Association of Southeast Asian Nations
BETA	Behavioural Economics Team of the Australian Government
BICN	Behavioural Insights Champions' Network
COAG	Council of Australian Governments
CPRs	Commonwealth Procurement Rules
CSIRO	Commonwealth Scientific and Industrial Research Organisation
DAWE	Department of Agriculture, Water and the Environment
DEAC	Digital Experts Advisory Committee
DISER	Department of Industry, Science, Energy and Resources
EL	Executive Level
EVA	Executive Vehicle Allowance
FCCP	Fraud and Corruption Control Plan 2021–2023
G20	Group of Twenty
G7	Group of Seven
GST	Goods and Services Tax
HSR	health and safety representatives
KMP	Key Management Personnel
MMI	Modern Manufacturing Initiative
MP	Member of Parliament
MYEFO	Mid-Year Economic and Fiscal Outlook
N/A	Not applicable

NABERS	National Australian Built Environment Rating System
NAIDOC	National Aborigines and Islanders Day Observance Committee
NCRC	National Cabinet Reform Committee
NIAA	National Indigenous Australians Agency
NSC	National Security Committee
NSPA	National Suicide Prevention Adviser
OBPR	Office of Best Practice Regulation
OFW	Office for Women
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
PIC	Policy Implementation Committee
PM&C	Department of the Prime Minister and Cabinet
PPTO	Policy Projects and Taskforce Office
PSMB	Public Safety Mobile Broadband
RAA	Reciprocal Access Agreement
RAP	Reconciliation Action Plan 2021–2023
RCEP	Regional Comprehensive Economic Partnership
SES	Senior Executive Service
SII	social impact investing
SMEs	small and medium enterprises
TCS	Taskforce Coordination Support
WHSMS	Work Health and Safety Management System
WLDP	Women's Leadership and Development Program

Glossary of terms

Agency – A Department of State, Department of Parliament or prescribed agency under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

APS enterprise – The Australian Public Service as a single entity, running as a single enterprise.

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 3 forward financial years.

Closing the Gap – A commitment by all Australian governments to improving the lives of Aboriginal and Torres Strait Islander people. A national integrated Closing the Gap strategy has been agreed through COAG.

Council of Australian Governments (COAG) – Formerly the peak intergovernmental forum in Australia, comprising the Prime Minister, state premiers, territory chief ministers and the President of the Australian Local Government Association. On 29 May 2020, National Cabinet agreed to the cessation of COAG and the formation of the National Federation Reform Council.

Enterprise agreement – An agreement about the terms and conditions of employment, made under the *Fair Work Act 2009*.

National Cabinet – The peak forum, established on 13 March 2020, for the Prime Minister, Premiers and Chief Ministers to meet and work collaboratively. It is chaired by the Prime Minister.

National Federation Reform Council (NFRC) – The peak forum, established on 29 May 2020, for leaders and treasurers across the Commonwealth and states and territories to focus on priority national federation issues.

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.

Secretaries Board – The APS's principal service-wide governance body. It includes each departmental Secretary, the Australian Public Service Commissioner and the Director-General, National Intelligence.

Secretary's Instructions – Instructions and guidance provided for accountability requirements under the PGPA Act.

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)	iv–v	Table of contents.	Mandatory
17AJ(b)	242–250	Alphabetical index.	Mandatory
17AJ(c)	230–231	Glossary of abbreviations and acronyms.	Mandatory
17AJ(d)	233–241	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)	1–5	A review by the accountable authority of the entity.	Mandatory
17AD(b)	OVERVIEW OF THE ENTITY		
17AE(1)(a)(i)	5–6	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, 18	A description of the purposes of the entity as included in corporate plan.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AE(1)(aa)(i)	157–158	Name of the accountable authority or each member of the accountable authority.	Mandatory
17AE(1)(aa)(ii)	157–158	Position of the accountable authority or each member of the accountable authority.	Mandatory
17AE(1)(aa)(iii)	157–158	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)	1–5	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	17–130	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)	164–174	A discussion and analysis of the entity's financial performance.	Mandatory
17AF(1)(b)	167–170	A table summarising the total resources and total payments of the entity.	Mandatory
17AF(2)	N/A	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory.

PGPA Rule Reference	Part of Report	Description	Requirement
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, 141	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)	133–138	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory
17AG(2)(d) – (e)	170	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)	135	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory
17AG(2A)(b)	135–138	The name of each member of the entity's audit committee.	Mandatory
17AG(2A)(c)	135–138	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AG(2A)(d)	135–138	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory
17AG(2A)(e)	135–138	The remuneration of each member of the entity's audit committee.	Mandatory
EXTERNAL SCRUTINY			
17AG(3)	141–142	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory
17AG(3)(a)	142	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)	141	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)	142–163	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory
17AG(4)(aa)	143–149	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: (a) statistics on full-time employees; (b) statistics on part-time employees; (c) statistics on gender; (d) statistics on staff location.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AG(4)(b)	143–149	<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)	155	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)	155	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)	155	The salary ranges available for APS employees by classification level.	Mandatory
17AG(4)(c)(iii)	156–158, 160	A description of non-salary benefits provided to employees.	Mandatory
17AG(4)(d)(i)	160	Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory
17AG(4)(d)(ii)	N/A	Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory
17AG(4)(d)(iii)	N/A	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, Mandatory
17AG(4)(d)(iv)	N/A	Information on aggregate amount of performance payments.	If applicable, Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
ASSETS MANAGEMENT			
17AG(5)	174	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)	170–174	An assessment of entity performance against the <i>Commonwealth Procurement Rules</i> .	Mandatory
REPORTABLE CONSULTANCY CONTRACTS			
17AG(7)(a)	171–172	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)	172	A statement that <i>“During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$[specified million].”</i>	Mandatory
17AG(7)(c)	172	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)	172	A statement that <i>“Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.”</i>	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
REPORTABLE NON-CONSULTANCY CONTRACTS			
17AG(7A)(a)	172–173	A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7A)(b)	173	A statement that <i>“Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.”</i>	Mandatory
17AD(daa)	Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts		
17AGA	171–173	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory
AUSTRALIAN NATIONAL AUDIT OFFICE ACCESS CLAUSES			
17AG(8)	N/A	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

PGPA Rule Reference	Part of Report	Description	Requirement
EXEMPT CONTRACTS			
17AG(9)	171	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)	173	<i>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.”</i>	Mandatory
17AG(10)(b)	173	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory
17AG(10)(c)	173	If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that <i>“[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.”</i>	If applicable, Mandatory
FINANCIAL STATEMENTS			
17AD(e)	178–227	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
EXECUTIVE REMUNERATION			
17AD(da)	156–159	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)	N/A	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)	173	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, Mandatory
17AH(1)(b)	174	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)	175	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory
17AH(1)(d)	142	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)	161–163	Information required by other legislation.	Mandatory

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