



Australian Government

Department of the  
Prime Minister and Cabinet

# Annual Report

2022–23

PM  
&C



# Annual Report

## 2022–23

## About the report

This report outlines the operations, capability and performance of the Department of the Prime Minister and Cabinet (PM&C) for the financial year ending 30 June 2023.

It has been prepared in accordance with the provisions of section 46 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), the Public Governance, Performance and Accountability Rule 2014 (PGPA Rule) and the Department of Finance Resource Management Guide No. 135: Annual reports for non-corporate entities. The compliance index in Part 5 lists the information required by the PGPA Act and PGPA Rule and the corresponding page number within the printed report.

The annual report can be found on the department's website [www.pmc.gov.au](http://www.pmc.gov.au) and on the Transparency Portal [www.transparency.gov.au](http://www.transparency.gov.au).

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### Annual report team

The annual report team developed this report with assistance from staff across the department. The Annual Report 2022–23 team comprised Liz Caelli, Georgia Christofilou, Ben Last, Stuart Walsh, Belinda Salem and Michelle Janota-Sullivan.

### Design and typesetting

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

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### Paper

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### Translation

The Department of Home Affairs provides translating and interpreting services for people who do not speak English and for English speakers who are required to communicate with them. Please phone 131 450 or visit [www.tisnational.gov.au](http://www.tisnational.gov.au) for further information.

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**Australian Government**  
**Department of the Prime Minister and Cabinet**

SECRETARY

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

  
Dear Prime Minister,

I am pleased to present the Department of the Prime Minister and Cabinet (PM&C) Annual Report for the year ended 30 June 2023.

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

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

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

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

Following the tabling of the Department of the Prime Minister and Cabinet Annual Report 2022–23, the report will be available on PM&C's website, [www.pmc.gov.au](http://www.pmc.gov.au), and on the Transparency Portal, [www.transparency.gov.au](http://www.transparency.gov.au).

Yours,



Professor Glyn Davis AC  
12 September 2023

Cc: Senator the Hon Katy Gallagher, Minister for Women and Minister for the Public Service  
The Hon Linda Burney MP, Minister for Indigenous Australians  
The Hon Mark Dreyfus KC MP, Cabinet Secretary  
The Hon Patrick Gorman MP, Assistant Minister to the Prime Minister and Assistant Minister for the Public Service  
Senator the Hon Malarndirri McCarthy, Assistant Minister for Indigenous Australians

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



# Part one: Overview 2022–23

## Secretary's review

The public sector reports on its activities in a variety of ways. From annual reports and corporate plans to budgets and statements, each document seeks to demonstrate the sector's adherence to standards of efficiency and accountability.

The annual report, however, has always been an outlier because it represents not only transparency but also achievement.

In this respect, the Annual Report 2022–23 of the Department of the Prime Minister and Cabinet (PM&C) is no different from its predecessors. Documenting our endeavours in support of the government of the day, it is a record of service on behalf of the Australian people. At the end of my first year as Secretary, I am proud of the team's achievements.

Over the last 12 months, PM&C worked within a rubric of 5 key activities: effective and timely advice; helping our partner agencies to deliver on Government priorities; coordination and support for national and international agendas; collaborate, communicate, engage; and deliver programs and activities that support the efficient running of government. These imperatives informed our work and were met by staff with sustained energy and dedication to their roles.

The Government's national and international agendas are the foundation for PM&C's program of activities. We sit at the heart of planning and policy coordination across government and are at the forefront of strategic thinking and advice to support the Prime Minister and the Cabinet to deliver the Government's agenda. As priorities evolve in response to national circumstances, PM&C is driven by our understanding that government decisions make a difference to the lives of the Australian people and our international community.

Our collaborative partnerships with agencies across the Australian Public Service (APS) and hosting of various dedicated taskforces enable seamless integration and contestability of ideas. This allows us to bring together our stakeholders and harness expertise both internal and external to the APS. Our work in the past 12 months to support the Care and Support Economy Taskforce, Quad Leaders' Summit and APS Integrity Taskforce speaks to the breadth of expertise we convene.

In addition, we have provided secretariat support to the National Disability Insurance Scheme (NDIS) Review, and the establishment of the Net Zero Economy Taskforce. In an environment of often fast-evolving priorities and projects, PM&C works swiftly and effectively to advance the Government's domestic agenda.

The Government's international focus has engaged teams across the department on a broad range of issues, including Australia's response to Russia's illegal and immoral invasion of Ukraine and the announcement of Australia's pathway to acquisition of nuclear-powered submarines through the AUKUS security partnership. The Prime Minister's international commitments require detailed and precise planning and delivery from this department, as well as leading partnerships across the APS, and frank and coordinated policy advice to support our international objectives.

PM&C's leadership on public administration is the unifying thread through all our activities. As we support the Government's commitment to APS Reform and strengthening the APS, we reflect that ambition within the department and throughout our interactions with our colleagues. Our work in developing and implementing a plan to put people and businesses at the centre of policy and services is helping to ensure integrity and fairness are embedded in all that we do. We are also bringing different aspects of APS integrity together through the APS Integrity Taskforce. The taskforce has taken a system-wide view of the APS integrity landscape, identifying gaps and looking for opportunities for improvement.

Simultaneously, we have continued to work closely with the National Indigenous Australians Agency, APS Reform Office, other Commonwealth agencies and the Coalition of Peaks to support significant work to deliver on our commitments under the National Agreement on Closing the Gap and drive an ambitious and transformational First Nations agenda across the APS. A critical and fundamental element of this work has been to support implementation of the 2023 Commonwealth Implementation Plan, particularly on actions to embed the Closing the Gap Priority Reforms across the Commonwealth. Part of this work entails the development of a Monitoring and Accountability Framework to practically measure, assess and report on agencies' progress in implementing Priority Reform Three.

Our recently launched Inclusion and Diversity Strategy outlines our vision for increasing the diversity of our workforce, building on the inclusive and respectful culture at PM&C. Investing in a culture of belonging allows everyone to contribute and establishes PM&C as a model employer and place to work.

PM&C deeply values its responsibility to consistently and confidently meeting the high standards and expectations of the Government. As a steward of the department and the APS, I commend the achievements outlined in this report as an expression of our ongoing intent to serve the Australian people with integrity and purpose.

# The department

## Our mission

Our mission is to improve the lives of all Australians through high-quality advice and support to the Government.

## Our purpose

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

## Our role

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

To perform this crucial work, we:

- provide informed and impactful advice to the Prime Minister, the Cabinet, portfolio ministers and assistant ministers to assist in the design, development and delivery of key Government policies, strategies and services
- enable a well-functioning Cabinet and good governance by providing effective support processes that also assist agencies to achieve quality outcomes

- foster a high-performing public sector by establishing productive partnerships across the APS and helping our partner agencies to succeed. We combine our good understanding of the Prime Minister's and the Government's priorities with the expertise, experience and action required to deliver results, while ensuring the work is conducted with the highest standards and professionalism
- engage and collaborate with a diverse range of stakeholders across state, territory and local governments and the private sector to ensure that our advice is developed comprehensively and based on the best available evidence and expertise
- support the Prime Minister's engagement with international leaders and other nations, supporting the government to address major global challenges, advancing Australia's interests and keeping our country safe
- work together with agencies across the APS to respond quickly to crisis situations and national disaster events.

## Our structure

PM&C operates in 4 main groups:

- Domestic Policy Group
- International and Security Group
- Governance and Corporate Group
- Public Sector Reform Group.

### Domestic Policy Group

In 2022–23, the Domestic Policy Group advised the Prime Minister, the Cabinet, portfolio ministers and assistant ministers on a wide range of issues affecting the lives of all Australians, including on social, environmental and economic policy, our continued response to COVID-19 and natural disasters, the digital economy and gender equality.

The group is separated into the Economy, Industry and Resilience Group and the Social Policy Group and is led by 2 deputy secretaries who work closely together to support the Government's domestic policy objectives.

## Economy, Industry and Resilience Group

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

Through its central agency role, the Economy, Industry and Resilience Group helps partner agencies deliver Government priorities by providing advice, coordination and oversight in relation to policies and projects as they progress through the Cabinet and the federal Budget process.

The group provides advice on the economy and the federal Budget including matters relating to infrastructure, transport, agriculture, regional development, taxation, superannuation, competition, environment, energy, and climate change policy, as well as crisis management, including disaster preparedness and response. The group is also responsible for administering requirements around the Government's Impact Analysis Framework, which helps policymakers develop the evidence base for well-informed decision-making.

In 2022–23, the group had primary policy responsibility for policy matters relating to Australia's net zero transformation, including cross-cutting economic, climate, regional and industry policies.

This included the establishment of the Net Zero Economy Taskforce to advise the Government on how to best support regional communities as Australia transforms to a net zero economy. Following the taskforce's advice, the Government agreed to legislate a Net Zero Authority, whose work will commence at an interim Net Zero Economy Agency within PM&C from 1 July 2023.

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

## Social Policy Group

The Social Policy Group supports Government priorities in the key areas of health, education, disability, gender equality, aged care, migration, and First Nations policy, including in relation to constitutional recognition, as well as the care and support economy and whole-of-government data and digital technology policy. This work includes leading the partnerships between the Commonwealth and state and territory jurisdictions on delivering support for all Australians, and is informed by our in-house behavioural and policy innovation advisory services.

A key priority in 2022–23 was supporting National Cabinet, enabling the Commonwealth and state and territory governments to deliver reforms such as strengthening Medicare for all Australians and commencing work on a sustainability framework for the NDIS. We also progressed the development of a National Strategy for the Care and Support Economy to support a sustainable and productive care and support economy that delivers quality care with quality jobs. In addition, we continued to work closely with all departments and agencies to support the Commonwealth to deliver on its commitments under the National Agreement on Closing the Gap, as committed to by the Commonwealth and all state and territory governments. We have a particular focus on embedding the Priority Reforms, including across the work of the department.

The Office for Women supported the Women’s Economic Equality Taskforce, an independent advisory group, in providing advice to Government on the many issues facing women in the economy. It also progressed development of a National Strategy to Achieve Gender Equality, including a consultation program with key stakeholders. Piloting gender impact assessments in the Budget context provided an important starting point to build gender-responsive budgeting across government – an important tool to assist governments to fund measures that close gender gaps.

The NDIS Review is currently looking at the design, operations and sustainability of the NDIS. It will also look at ways to make the market and workforce more responsive, supportive and sustainable. A report will be presented to the Disability Reform Ministers Council in October 2023.

## International and Security Group

The International and Security 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, including work to host the 2024 ASEAN Special Summit; global trade and economic security issues; Defence strategic policy, capability and operations; the AUKUS partnership; naval shipbuilding; critical technologies and critical infrastructure; countering foreign interference; cybersecurity; National Intelligence Community policy; counter-terrorism; law enforcement and border security.

In early 2023, the International and Security Group adopted a new structure, consolidating the Quad, AUKUS and Naval Shipbuilding Group with the National Security and International Policy Group under one deputy secretary. The G20 Sherpa Office also joined the International and Security Group.

## Governance and Corporate Group

The Governance and Corporate Group supports the ongoing business of the Government by providing support services to the Prime Minister, the Cabinet and Cabinet committees, portfolio ministers and assistant ministers and the Governor-General, and delivering internal corporate and enabling services for the department.

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

The Corporate and Technology Division provides a broad range of services including shared services; people; information and communications technology (including cyber-security); security; finance; business continuity; property and facilities; and governance, performance, audit and risk management.

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



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

The Priorities, Delivery and Analytics Division supports the Prime Minister, the Cabinet and PM&C in monitoring the implementation of Government initiatives, strategically considering future priorities and providing data analytics support across the department.

The Governance and Corporate Group also houses the Jenkins Report Implementation Team, set up to lead implementation of recommendations made in the *Set the Standard: Report on the Independent Review into Commonwealth Parliamentary Workplaces* to ensure that Commonwealth parliamentary workplaces are safe and respectful.

In 2023, the APS Integrity Taskforce was established in the Governance and Corporate Group to ensure the APS is focused upon and delivering a pro-integrity culture at all levels of the service. The APS Integrity Taskforce has provided a whole-of-service view of the initiatives underway across agencies, and identified connections and opportunities for further improvements.

The Governance and Corporate Group plays a central role in delivering the Prime Minister's priorities and supporting effective public administration.

## Public Sector Reform Group

The Public Sector Reform Group supports the Government's APS Reform agenda to create an APS that:

1. embodies integrity in everything it does
2. puts people and business at the centre of policy and services
3. is a model employer
4. has the capability to do its job well.

Through the APS Reform Office, the group supports and oversees the successful implementation of the agenda so that it can be embedded across all APS agencies and departments over the coming decade. This includes the maintenance of governance architecture that outlines key decision-making and implementation roles and responsibilities; policy and project work to lead reform initiatives; enabling reform initiatives led by other agencies; legislative amendments; partnerships and engagement with government, business, not-for-profit, academic, First Nations and community groups; reporting on whole-of-service progress; and hardwiring accountabilities across the service to drive the changes in culture, mindset and capability to deliver over the long term.

## Our executive

### The Accountable Authority for 2022–23

**Table 1.1: Details of Accountable Authority during the reporting period (2022–23)**

Name	Position title / Position held	Period as the Accountable Authority or member within the reporting period	
		Start date (1 July 2022 or after)	End date (30 June 2023 or before)
DAVIS, Glyn	Secretary	01/07/2022	30/06/2023
WILLIAMSON, David*	Secretary	11/11/2022	17/11/2022
		12/12/2022	13/12/2022
		26/12/2022	15/01/2023
		02/03/2023	05/03/2023
		10/03/2023	15/03/2023
		04/05/2023	07/05/2023
		07/06/2023	13/06/2023

*\*David Williamson acted in the position of Secretary at the times listed.*

## PM&C senior executive as at 30 June 2023

**Table 1.2: PM&C senior executive as at 30 June 2023**

<b>Secretary</b>	<b>Professor Glyn Davis AC</b>
Deputy Secretary, Governance and Corporate and Chief Operating Officer	Mr David Williamson
Deputy Secretary, Social Policy	Ms Liz Hefren-Webb
Deputy Secretary, Economy, Industry & Resilience	Ms Nadine Williams
Deputy Secretary, International and Security	Mr Scott Dewar
Deputy Secretary, NDIS Review Secretariat	Mr David Hazlehurst
Deputy Secretary, Net Zero Economy Taskforce	Mr James Chisholm
Deputy Secretary, Public Sector Reform	Dr Rachel Bacon

## The portfolio

As at 30 June 2023, the following entities were part of the portfolio. Each entity has its own purpose and reports on performance in its own annual report.

### Department of State

- Department of the Prime Minister and Cabinet

### Non-corporate Commonwealth entities under the PGPA Act

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

## Corporate Commonwealth entities under the PGPA Act

- Australian Institute of Aboriginal and Torres Strait Islander Studies
- Indigenous Business Australia
- Indigenous Land and Sea Corporation
- Northern Territory Aboriginal Investment Corporation
- Northern Territory Land Councils
  - Anindilyakwa Land Council
  - Central Land Council
  - Northern Land Council
  - Tiwi Land Council
- 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 2023

**Figure 1.1: PM&C organisational structure**

Secretary				
Professor Glyn Davis AC				
Chief of Staff <b>Deanna Easton</b>	Executive Assistant <b>Bev Sims PSM</b>	Executive Adviser <b>Casley Rowan</b>		
Domestic Policy Group				
ECONOMY, INDUSTRY AND RESILIENCE	SOCIAL POLICY	NDIS REVIEW SECRETARIAT	NET ZERO ECONOMY TASKFORCE	
Deputy Secretary Nadine Williams	Deputy Secretary Liz Hefren-Webb	Deputy Secretary David Hazlehurst	Deputy Secretary James Chisholm	
INDUSTRY, INFRASTRUCTURE AND ENVIRONMENT FAS Roland Trease*	OFFICE FOR WOMEN FAS Chantelle Stratford*	SOCIAL POLICY FAS Genevieve Quilty	NDIS REVIEW SECRETARIAT FAS Andrew Whitecross Chief Adviser James MacIsaac	FAS Travis Bover*
INFRASTRUCTURE, TRANSPORT AND REGIONAL AS Patrick Suthers*	WOMEN'S ECONOMIC POLICY AS Shelby Schofield*	IMMIGRATION AND EDUCATION AS Kristen Price*	AS Joanna Abhayaratna*	AS Marcus Priest*
INDUSTRY, INNOVATION, SCIENCE AND COMMUNICATIONS AS Anthea Fell	SOCIAL POLICY AND INTERNATIONAL ENGAGEMENT AS Rochelle White	SOCIAL SERVICES AS Megan Leahy	AS Luke Turner	FAS Kerren Crosthwaite
ENERGY AND CLIMATE CHANGE AS Alison Fleming*	GENDER EQUALITY STRATEGY AND REFORM AS Clancie Hall	FIRST NATIONS AS Saskia Bourne*	AS Gillian Shaw	AS Yvette Blackman*
ENVIRONMENT, RESOURCES AND AGRICULTURE AS Matthew Strapp	INTERGOVERNMENTAL RELATIONS AND REFORM FAS Lee Steel	POLICY INNOVATION AND PROJECTS FAS Shane Johnson	AS Stephen Beverley	
ECONOMIC FAS Natalie Horvat	COMMONWEALTH-STATE RELATIONS AS Hope Peisley	POLICY PROJECTS TASKFORCE OFFICE AS Ingrid Lundberg	AS Sidesh Naikar	
OFFICE OF IMPACT ANALYSIS AS Jason Lange	HEALTH AND AGED CARE AS Russell de Burgh	BEHAVIOURAL ECONOMICS TEAM OF AUSTRALIA Managing Director Susan Calvert	AS Gabriela Sermeno	
TAXATION, FINANCIAL SECTOR AND EMPLOYMENT AS James O'Toole	CARE AND SUPPORT ECONOMY TASKFORCE Head of Taskforce Tessa Bishop			
FISCAL POLICY AS John Neil	AS Tim Johnson			
ECONOMIC POLICY AS and Chief Economist Owen Freestone				
RESILIENCE AND CRISIS MANAGEMENT FAS Michael Crawford*				
RECOVERY AND RESILIENCE AS Elly Cotsell*				
CRISIS MANAGEMENT AND AGCMF REVIEW AS Sally Kuschel*				

\* Denotes acting arrangement  
 \*\* Denotes job sharing arrangement  
 \*\*\* Non-SES position  
 AS = Assistant Secretary  
 FAS = First Assistant Secretary

International and Security Group		Governance and Corporate Group		APS Reform Office
INTERNATIONAL AND SECURITY Deputy Secretary Scott Dewar		GOVERNANCE AND CORPORATE Deputy Secretary and Chief Operating Officer David Williamson		PUBLIC SECTOR REFORM Deputy Secretary Dr Rachel Bacon
POLICY INTEGRATION AS Debbie Arnold	QUAD, AUKUS AND NAVAL SHIPBUILDING FAS Lynette Wood	GOVERNMENT FAS Peter Rush*	CORPORATE AND TECHNOLOGY FAS Hugh Cameron*	APS REFORM OFFICE FAS Gerrie Mitra
NATIONAL SECURITY FAS Lachlan Colquhoun	QUAD AND AUKUS POLICY AS Alex Stevenson	LEGAL POLICY AS Autumn Field	SHARED SERVICES AS Jill Torpy*	AS Kate Driver
DEFENCE AND INTELLIGENCE AS Philip Kimpton	NAVAL SHIPBUILDING AND NUCLEAR POWERED SUBMARINES AS Matthew Flint	PARLIAMENTARY AND GOVERNMENT AS David Belgrove*	PEOPLE Chief People Officer Melinda Bopping	AS Marianne Dolman
DOMESTIC SECURITY AS Gemma Smyth	QUAD LEADERS' SUMMIT TASKFORCE AS Gavin Dimond*	PLO - SENATE AS Rachael Clarke*	FINANCE Chief Financial Officer Karyn Cooper	AS Faye Liu
INTERNATIONAL FAS Craig Chittick	G20 AND TRADE POLICY FAS Angelia Grant	PLO - HOUSE OF REPRESENTATIVES AS Alex Philp*	GOVERNANCE, PERFORMANCE AND AUDIT Head of Internal Audit Liz Caelli***	
GLOBAL INTERESTS AS Ashley Collingburn	G20 SOUS SHERPA AS Jaclin Craig	CABINET FAS Leonie McGregor	INFORMATION SERVICES Chief Information Officer Abhishek Tripathi	
ASIA AS Edwina Stevens		CABINET SECRETARIAT AS Paul Hupalo	BUSINESS SERVICES AS Samantha Portelli*	
PACIFIC AS Max Willis		NATIONAL SECURITY AND CABINET SYSTEMS AS Jane Gillis	MINISTERIAL SUPPORT FAS Gerard Martin	
ASEAN TASKFORCE Head of Taskforce Pablo Kang		CABINET INFORMATION AND GOVERNANCE AS Christina Grant	MINISTERIAL AND PARLIAMENTARY SUPPORT AS Ben Keily*	
ASEAN POLICY AS Jo McIntosh*		JENKINS REPORT IMPLEMENTATION TEAM FAS Kimberley McDonald*	PROTOCOL AND INTERNATIONAL VISITS AS Alison Green	
ASEAN OPERATIONS AS Ellie Pye*		AS Cristy England	COMMUNICATIONS AS Dana Robertson	
		PRIORITIES, DELIVERY AND ANALYTICS FAS Lisa Elliston	APS INTEGRITY TASKFORCE FAS Sue Robertson	
		PRIORITIES AND DELIVERY UNIT AS Hannah Lipshtut*		

# Our ministers

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



**The Hon Anthony Albanese MP**  
Prime Minister





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



**The Hon Linda Burney MP**  
Minister for Indigenous Australians



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



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



**Senator the Hon Malarndirri McCarthy**  
Assistant Minister for Indigenous Australians

# Budget outcomes and program structure

In achieving PM&C’s purpose for 2022–23, we worked to deliver against the key priorities outlined in the Portfolio Budget Statements 2022–23 (PBS) and Portfolio Additional Estimates Statements 2022–23. Our Corporate Plan 2022–26 outlined how these key priorities would be achieved and how achievement and success would be measured.

**Table 1.3: Purpose, outcome and program**

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





# Part two: Annual performance statement 2022–23

I, Glyn Davis, as the accountable authority of the Department of the Prime Minister and Cabinet (PM&C), present the annual performance statement 2022–23 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.



Professor Glyn Davis AC  
Secretary  
12 September 2023

# Performance overview

## PM&C's performance reporting framework

PM&C's annual performance statement reports on the period from 1 July 2022 to 30 June 2023 and provides an assessment of performance against key activities, performance measures and targets in the Corporate Plan 2022–26. In 2022, the department reviewed the performance reporting framework, consulted widely and introduced changes aimed at improving the way we measure and report on our performance.

PM&C continued to mature its performance measures and supporting targets (where appropriate) to provide a clearer reporting line from the Portfolio Budget Statements to the purpose, reported results and achievements in the department's annual performance statement 2022–23.

## PM&C's outcome

As set out in the Portfolio Budget Statements 2022–23, we provide high-quality advice and support to the Prime Minister, the Cabinet, portfolio ministers and assistant ministers including through coordination of government activities, policy development and program delivery.

## PM&C's purpose

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

The Corporate Plan 2022–26 outlines the key activities we undertake to delivery on our purpose:

Key activity 1: Effective and timely advice

Key activity 2: Helping our partner agencies to deliver on Government priorities

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

Key activity 4: Collaborate, communicate, engage

Key activity 5: Deliver

## Overview of results

Overall, PM&C performed well against the key activities and performance measures set out in the Corporate Plan 2022–26. Of the 17 performance measures listed in the Corporate Plan, PM&C achieved the target for 14 measures and partially achieved the target for 3 measures. Table 2.1 gives an overview of the results achieved for each performance measure against the 5 key activities. Analysis supporting each reported result by key activity and performance measure can be found on pages 25 to 58.

**Table 2.1: Results summary**

Result	Key activity 1	Key activity 2	Key activity 3	Key activity 4	Key activity 5	Total
Achieved	1	1	5	1	6	14
Partially achieved	1	1	–	1	–	3
On track	–	–	–	–	–	–
Not achieved	–	–	–	–	–	–
<b>Total</b>	<b>2</b>	<b>2</b>	<b>5</b>	<b>2</b>	<b>6</b>	<b>17</b>

The following results definitions have been used as outlined in the Corporate Plan 2022–26, on page 30.

**Table 2.2: Results definitions**

<b>Achieved</b>	In the 2022–23 reporting period, the department delivered against the performance measure.
<b>Partially achieved</b>	In the 2022–23 reporting period, the department partially achieved against the performance measure and or reporting thresholds.
<b>On track</b>	The performance measure is on track to be met over the forward estimates.
<b>Not achieved</b>	In the 2022–23 reporting period the performance measure was not met.

During 2022–23, PM&C provided effective advice, support and services to our key stakeholders. We effectively collaborated with stakeholders to support the Government in addressing wide-ranging and significant issues, including strategic, security, and geopolitical priorities. We leveraged our Australian Public Service (APS) leadership role and commenced implementation of the new APS Reform agenda.

There were positive results from stakeholders in relation to PM&C’s support to the Cabinet and its committees; the effectiveness of advice provided; the monitoring, reporting and understanding of the Prime Minister’s priorities; and the effectiveness of PM&C’s overall stakeholder collaboration, communication and engagement exercises.

## Measuring success over time

The Corporate Plan 2022–26 includes a revised purpose statement and new performance measures, targets and methodologies for assessing performance. Changes were made to strengthen our compliance with the Commonwealth Performance Reporting Framework. However, this means that performance results cannot be compared with previous years or trends over time.





# Performance results

The following tables present the department's performance against the 17 performance measures in the Corporate Plan 2022–26.

## Key activity 1: Effective and timely advice

PM&C plays a key role in supporting informed decision-making by ensuring the Prime Minister, the Cabinet and our portfolio ministers are provided with timely advice that is supported by data, takes a whole-of-government and whole-of-nation perspective, and incorporates the views of a diverse range of stakeholders. We measure our success by evaluating how well we meet these attributes and the needs of our stakeholders.

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**Intended result 1.1:** PM&C provides effective and timely advice to inform the Prime Minister's and the Cabinet's decision-making

**Partially achieved**

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As a policy adviser to the Prime Minister, the Cabinet and our portfolio ministers, it is important that we support decision-makers with advice that is effective and delivered within requested timeframes, supported by evidence and data, and considers the views of a diverse range of stakeholders.



## Performance measure 1.1.1

### Proportion of stakeholders satisfied with effectiveness, timeliness and responsiveness of advice received

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**2022–23 target** 75% satisfied

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**2022–23 result** **Achieved**  
**75% satisfied**

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**Data source / methodology** Data collected and reported by the department's independent annual stakeholder satisfaction survey.

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**Source** Portfolio Budget Statements 2022–23, Outcome 1, Program 1.1 Corporate Plan 2022–26, page 32

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#### Analysis

As a policy adviser to the Prime Minister, the Cabinet and our portfolio ministers, it is important we support decision-makers with advice that is effective, timely and responsive. This positions us to assist the Prime Minister, the Cabinet and portfolio ministers, and our APS counterparts with the Government's most complex and strategic priorities. An annual external stakeholder satisfaction survey is conducted to assess the level of satisfaction with the effectiveness, timeliness and responsiveness of advice. PM&C used structured interviews with ministers, or their delegates, to assess our performance. The results are based on the weighted average percentage of survey respondents who provided positive ratings (which indicates their satisfaction) and include ratings of 4 (agree) or 5 (strongly agree) to relevant questions. Further information on the survey methodology can be found on pages 59–61.

The survey assessed the effectiveness of our advice by asking stakeholders if our advice was supported by adequate evidence, considered the views of relevant stakeholders and experts, took a whole-of-government perspective, and added value in informing decision-making. The survey assessed the efficiency of our advice by asking stakeholders whether our advice was provided in a timely manner and if we were responsive to requests for advice.

Overall, a satisfaction rating of 75% was achieved. The overall result has been calculated by applying an equal weighting to the overall effectiveness index of 84% and satisfaction with efficiency index of 67%.

All ministerial stakeholders agreed that PM&C was responsive to requests for advice. However it was identified that the timeliness of advice could be improved. Stakeholders acknowledged the complexities associated with matters where advice was sought, in addition to external delays.



## Performance measure 1.1.2

### Proportion of ministerial briefs provided within agreed timeframes

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**2022–23 target** 80%

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**2022–23 result** **Partially achieved**  
**62% of ministerial briefs were provided within agreed timeframes with a further 28% provided within 24 hours of the lapsed due date. 90% of ministerial briefs were provided within 24 hours of the due date.**

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**Data source / methodology** Data collected via the Parliamentary Document Management System demonstrating the proportion of briefs provided within agreed timeframes as a percentage of the overall number of in-scope briefs. This measure is supported by a case study.  
New measure for 2022–23.

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**Source** Portfolio Budget Statements 2022–23, Outcome 1, Program 1.1  
Corporate Plan 2022–26, page 33

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#### Analysis

Whilst the target was partially met, 90% of briefs that were ministerial-office initiated were either on target or within 24 hours of target deadlines. Submission rates for ministerial briefs during the 2022–23 financial year were as follows:

- 62% of ministerial briefs were submitted within the agreed timeframe
- 28% of ministerial briefs were submitted 24 hours after the agreed timeframe
- 10% other (a total of 19 briefs overdue by more than 24 hours, 78% (15) were submitted within 48 hours, 11% (2) within 4 days and 11% (2) within 5 days).

The department has implemented a multi-phased communication and training campaign to address the shortfall and improve delivery timeframes.



### **Case study: Ministerial briefings and submissions**

The department formally communicates with our portfolio ministers' offices through Ministerial Briefs and Submissions via the Parliamentary Document Management System (PDMS). Ministerial submissions are department-initiated communication to the relevant portfolio minister, providing information or policy advice for consideration. Ministerial briefs are ministerial office-initiated communication that our portfolio ministers' offices use to request information as a basis for decision-making and action. In the 2022–23 financial year, we provided submissions, briefs and correspondence to our portfolio ministers as follows:

Prime Minister	1,232
Minister for Women	165
Assistant Minister to the Prime Minister	590
Cabinet Secretary	67
Minister for the Public Service	66

The breadth and variety of information, decisions and policy advice provided to the Prime Minister, portfolio ministers and assistant ministers is vast, in line with their portfolio ministerial responsibilities.



## Key activity 2: Helping our partner agencies to deliver on Government priorities

We serve the Prime Minister, who is responsible for the delivery of Government priorities. In support of this, PM&C uses a range of mechanisms to help our partner agencies to succeed and ensure Government policies, programs and decisions are successfully implemented. We establish processes to track implementation of Government priorities and report progress to the Prime Minister and his Office. We also build strong reciprocal relationships across the APS enterprise, use our convening power to help projects stay on track and deliver successfully for the Australian community. We measure the success of this activity through stakeholder satisfaction.

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**Intended result 2.1:** PM&C effectively monitors and reports progress on the delivery of Government priorities

**Partially achieved**

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A core aspect of our role is to collaborate with and support the APS to deliver key Government priorities. We do this by monitoring and reporting progress on priorities to the Government. We also utilise our shadow role, our understanding of the Prime Minister's priorities, and government processes to support the APS to deliver on these priorities to the satisfaction of the Prime Minister and our portfolio ministers. The measures seek to evaluate how well we undertake these functions through the independent annual stakeholder satisfaction survey.



## Performance measure 2.1.1

### Proportion of ministerial stakeholders satisfied with the level of monitoring and reporting on Government priorities

<b>2022–23 target</b>	75% satisfied
<b>2022–23 result</b>	<b>Partially achieved</b> <b>67% satisfied</b>
<b>Data source / methodology</b>	Data collected and reported by the department's independent annual stakeholder satisfaction survey.
<b>Source</b>	Portfolio Budget Statements 2022–23, Outcome 1, Program 1.1 Corporate Plan 2022–26, page 35

#### Analysis

PM&C collaborates and supports the APS to deliver key Government priorities by monitoring and reporting progress to the Government. We utilise a range of mechanisms, together with our understanding of the Government's priorities and government processes, to support the APS to deliver on Government priorities. An annual external stakeholder satisfaction survey is conducted to assess the proportion of ministerial stakeholders satisfied with the level of monitoring and reporting on government priorities. PM&C used structured interviews with ministers, or their delegates, to assess our performance, and 4 ministerial stakeholders participated in the survey. The results are based on the weighted average percentage of survey respondents who provided positive ratings (which indicates their satisfaction) and include ratings of 4 (agree) or 5 (strongly agree) to relevant questions. Further information on the survey methodology can be found on pages 59–61.

Overall, 67% of ministerial stakeholders were satisfied with PM&C's monitoring and reporting on Government priorities. PM&C's Priorities and Delivery Unit was expanded to a division from March 2023 and is building its capacity and capability to assist in aligning and monitoring the delivery of the Government's agenda.



## Performance measure 2.1.2

### Proportion of APS enterprise stakeholders satisfied with PM&C's monitoring, reporting and understanding of the Prime Minister's priorities

<b>2022–23 target</b>	75% satisfied
<b>2022–23 result</b>	<b>Achieved</b> <b>84% satisfied</b>
<b>Data source / methodology</b>	Data collected and reported by the department's independent annual stakeholder satisfaction survey.
<b>Source</b>	Portfolio Budget Statements 2022–23, Outcome 1, Program 1.1 Corporate Plan 2022–26, page 36

#### Analysis

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

An annual external stakeholder satisfaction survey is conducted to assess the proportion of APS enterprise stakeholders satisfied with PM&C's monitoring, reporting and understanding of the Prime Minister's priorities. Further information on the survey methodology can be found on page 59.

The survey assesses satisfaction by asking stakeholders if we had a good understanding of government processes and the Prime Minister's priorities, supported their organisation to deliver on Government priorities, and were effective in monitoring the progress on the implementation of Government priorities. The results are based on the weighted average percentage of survey respondents who provided positive ratings (which indicates their satisfaction) and include ratings of 4 (agree) or 5 (strongly agree) to relevant questions. Further information on the survey methodology can be found on pages 59–61.

Overall, 84% of key external stakeholders were satisfied with PM&C's monitoring, reporting and understanding of the Prime Minister's priorities.



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

PM&C plays an important role in driving a whole-of-government and whole-of-nation approach at both a national and international level. In doing so, we collaborate closely with state and territory governments, and foreign counterparts, to develop relationships and influence national and international frameworks that enhance Australia's interests. We evaluate this key activity through a collection of measures that describe the deliverables we have supported in pursuit of national and international outcomes, and the extent to which our stakeholders are satisfied with our efforts.

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**Intended result 3.1:** PM&C effectively supports, coordinates and develops a national approach to support the delivery of Government priorities

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**Achieved**

We support the delivery of Government priorities that have national and international implications. This includes whole-of-government arrangements for emergency management, national resilience and reform priorities that require close coordination and collaboration across the APS enterprise, and with state and territory governments.





### Performance measure 3.1.1

#### Number of national plans and responses that delivered against a key milestone during the reporting period

<b>2022–23 target</b>	No target due to fluctuations in nature and complexity of plans and responses
<b>2022–23 result</b>	<b>Achieved</b> <b>6 national plans and responses delivered against at least one key milestone</b>
<b>Data source / methodology</b>	Departmental records on the number of national plans and responses that delivered against a key milestone. This measure is supported by case studies to provide an indication of the breadth and variety of national plans and responses.
<b>Source</b>	Portfolio Budget Statements 2022–23, Outcome 1, Program 1.1 Corporate Plan 2022–26, page 38

#### Analysis

We support the delivery of Government priorities that have national and international implications. This includes whole-of-government arrangements for emergency management, national resilience and reform priorities that require close coordination and collaboration across the APS enterprise and with state and territory governments.

During the reporting period, PM&C delivered key milestones for 6 national plans and responses in collaboration with our APS, state and territory counterparts. The national plans and responses in-scope for this performance measure include:

- Australian Government Crisis Framework
- National Strategy for the Care and Support Economy
- National Strategy to Achieve Gender Equality
- 2023 Quad Leaders' Summit
- AUKUS
- South Australian Defence Industry Workforce and Skills Taskforce.

National plans and responses have been defined as any plan or response that supports the delivery of key Government priorities and is developed to address whole-of-nation and whole-of-government issues. They may advance Australia's interests either domestically or internationally. They are developed and implemented in collaboration with state and territory governments, APS colleagues, relevant stakeholders and international partners. PM&C's role may include a combination of leading or supporting the development and implementation of the national plan or response.



### **Case study: Australian Government Crisis Management Framework**

In 2022–23, flooding events had devastating and widespread impacts on communities across Australia. Many of these communities were impacted multiple times by significant flooding, in some instances isolating already vulnerable communities for sustained periods.

Australian Government response and recovery efforts following these flood events were coordinated using the Australian Government Crisis Management Framework (AGCMF). The AGCMF outlines the Australian Government's approach to preparing for, responding to and recovering from crises. Under the AGCMF, the Australian Government Crisis and Recovery Committee and the National Coordination Mechanism also support the Australian Government and national coordination in response to crisis.

In 2022–23, the AGCMF was used to support Australian Government responses to 4 prolonged flood events, 2 cyclones, 3 cyber incidents and 1 international incident.

PM&C is responsible for administering and periodically reviewing the AGCMF to ensure it remains fit for purpose, especially ahead of each higher-risk weather season. We undertake a review of the AGCMF annually, in consultation with relevant stakeholders, to ensure its effectiveness.

In 2022–23, the AGCMF was reviewed to reflect the merging of the crisis management and resilience responsibilities and functions of Emergency Management Australia and the National Recovery and Resilience Agency into one agency within the Home Affairs portfolio – the National Emergency Management Agency (NEMA).

We released version 3.2 of the AGCMF in November 2022. The revised AGCMF aligns with updated administrative arrangements, including the establishment of the NEMA.



### **Case study: Care and Support Economy Taskforce**

The Care and Support Economy Taskforce was funded in the 2022–23 October Budget to develop a National Strategy for the Care and Support Economy. The strategy focuses on aged care, disability support, veterans' care and early childhood education and care. It takes a holistic view of paid care and support across these sectors, focusing on improving the overall quality, accessibility and sustainability of the care and support economy.

Public consultation on the strategy occurred through May and June 2023 and resulted in more than 365 responses. National Cabinet agreed to work together on 3 priority projects for the care and support economy, including streamlining worker screening, improving worker safety and growing the First Nations workforce.

On 6 June 2023, the Care and Support Economy Taskforce held a virtual briefing with over 70 key stakeholders across the care and support sectors. The briefing was facilitated by the Australian and New Zealand School of Government. This event provided an opportunity for the taskforce to hear directly from key stakeholders to help inform the development of the National Strategy for the Care and Support Economy. Stakeholders received a brief on the taskforce's work to date and then broke out into discussion rooms to provide detailed feedback on the vision, goals and objectives of the strategy. There was also an opportunity to provide input on the development of reforms needed to support the future implementation of the strategy.

Some of the key themes that emerged from the discussions included:

- people as individuals with unique needs and wants, often interacting with more than one sector in the care and support economy – consumer voice in the policy shaping is essential
- it is vital to ensure the strategy aligns with and complements other major reviews or reforms across the care and support economy
- the uniqueness of each sector must be appreciated as we explore this through the care and support economy lens
- impact of general employment trends (for example, increasing casualisation and the gig economy) and the care and support economy sitting within the context of broader industrial relations reforms
- the intersections with other parts of the broader care landscape, particularly allied health and mental health, and these systems working together seamlessly will offer improved quality.

This was a major event in the development of the National Strategy for the Care and Support Economy. The information gathered will help to deliver the final strategy in the second half of 2023.



### **Case study: National Strategy to Achieve Gender Equality – Phase 2 consultation**

Through 2022–23, PM&C led consultations to inform the development of the National Strategy to Achieve Gender Equality, which included engaging with the Women’s Economic Equality Taskforce, the National Women’s Alliances, key stakeholders and other parties with an interest in gender equality.

From 8 March to 19 April 2023, the community was invited to share experiences and contributions to inform the strategy through a survey and response to a discussion paper. This was the second phase of consultations led by PM&C, building on the 14 roundtables held over November – December 2022.

We received 2,735 survey responses and 174 discussion paper responses, representing a range of diverse voices. Of respondents:

- the majority were women (74.7%), 18.1% were men; and 1.5% identified as non-binary
- 51% were between the ages of 35 and 54, and 23% were between the ages of 18 and 34
- 2% identified as Aboriginal and/or Torres Strait Islander
- 13% identified as being a person with a disability
- 32% identified as having a cultural background other than Anglo-Australian culture/heritage
- 18% lived in regional towns, and 5% lived in a rural or remote area.

Safety from gender-based violence and women’s economic security, including housing insecurity and having enough money in retirement, were the key areas raised in responses. Many responses also highlighted gender norms and stereotypes as barriers to achieving gender equality.

Of survey respondents, 72% thought that women and men are treated either ‘not very equally’ or ‘very unequally’. However, when disaggregated by gender, men and women shared different views: 80% of women and 39% of men thought that women and men are treated either ‘not very equally’ or ‘very unequally’.

PM&C continues to meet with stakeholders and support the Minister for Women’s engagements. Insights from these engagements are informing the ongoing work to develop the strategy.



### Case study: Delivering outcomes for the 2023 Quad Leaders' Summit

Each year, the Quad Leaders – Australia, India, Japan and the US – meet to discuss the region's most pressing challenges and to advance the Quad's positive and practical agenda in support of a stable, resilient and prosperous Indo-Pacific region.

The 2023 Quad Leaders' Summit delivered a wide range of substantial outcomes, from clean energy supply chain diversification in the Indo-Pacific to boosting health security in the region.



This year the Quad Leaders' Summit was held in the margins of the G7 in Hiroshima, Japan. It was originally to be held in Sydney, but a late location change was necessary to accommodate all 4 Leaders' attendance. The Quad Summit Taskforce, established to lead on logistics for Australia's hosting of the 2023 Summit, used their established relationships with Quad partners to quickly pivot and deliver the summit in the new location.

To deliver the Summit's outcomes, PM&C's Quad policy section coordinated a whole-of-government effort to develop potential Summit policy outcomes and reach consensus on joint products with Quad partners.

PM&C worked closely with Australian Government agencies on each Summit outcome, in consultation with Quad Working Groups, which are focused on Climate, Infrastructure, Space, Cyber, Critical and Emerging Technologies, and Health Security. To drive progress, PM&C held regular meetings at senior levels both within the Australian Government and with Quad partners. This ensured outcomes were tracked, roadblocks identified and any pressing issues resolved quickly by Quad Sherpas and Sous Sherpas – the senior officials responsible for coordinating the Leaders' track within each Quad government.

Through PM&C's proactive consultation with Quad partners, careful coordination across government, early development of outcomes and joint products, and deft pivot of Summit logistics, the 2023 Quad Leaders' Summit delivered all its planned policy outcomes and statements, demonstrating the Quad's flexibility and practicality. As the Prime Minister said in Hiroshima, it showed that the Quad is an 'outcomes-focused grouping that can get things done and be flexible to make sure that we achieve these outcomes'. All outcomes and statements are available on the PM&C website.



## Performance measure 3.1.2

### Proportion of key stakeholders satisfied with the coordination and support provided by PM&C in the delivery of national plans and responses

<b>2022–23 target</b>	75% satisfied
<b>2022–23 result</b>	<b>Achieved</b> <b>79% satisfied</b>
<b>Data source / methodology</b>	Data collected and reported by the department's independent annual stakeholder satisfaction survey.
<b>Source</b>	Portfolio Budget Statements 2022–23, Outcome 1, Program 1.1 Corporate Plan 2022–26, page 39

#### Analysis

In 2022–23, PM&C supported and coordinated the delivery of national plans and responses.

An annual external stakeholder satisfaction survey is conducted to assess the proportion of key stakeholders satisfied with the coordination and support PM&C provides in the delivery of national plans and responses. Ministerial and other key stakeholders were surveyed.

PM&C used structured interviews with ministers, or their delegates, to assess our performance. The results are based on the weighted average percentage of survey respondents who provided positive ratings (which indicates their satisfaction) and include ratings of 4 (agree) or 5 (strongly agree) to relevant questions. Further information on the survey methodology can be found on pages 59–61.

Overall, 79% of our stakeholders were satisfied with PM&C's coordination and support. The overall result has been calculated by applying an equal weighting to the ministerial satisfaction index of 83% and the key external stakeholder effectiveness index of 75%.



**Intended result 3.2:** PM&C effectively coordinates and supports the Prime Minister's and portfolio ministers' international engagements to promote Australia's interests

**Achieved**

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

### Performance measure 3.2.1

#### Number of Prime Minister's overseas visits, virtual engagements and Guest of Government visits delivered

**2022–23 target** Targets are not appropriate due to fluctuations in nature and complexity of visits and engagements in any year

**2022–23 result** **Achieved**  
**35 overseas visits by the Prime Minister, virtual engagements and Guest of Government visits were delivered.**

**Data source / methodology** Number of international visits, virtual engagements and Guest of Government visits that went ahead during the reporting period. This measure is supported by a case study.

**Source** Portfolio Budget Statements 2022–23, Outcome 1, Program 1.1 Corporate Plan 2022–26, page 41

#### Analysis

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

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



### **Case study: Official visits and events**

PM&C continues to shape and support Australia's strategic national and international interests by supporting the Prime Minister's engagement with foreign leaders. We achieve this through high-quality operational support for official overseas engagements, virtual meetings, Guest of Government visits and state occasions.

In 2022–23, the Prime Minister undertook a number of important overseas visits to participate in multilateral forums and to further enhance Australia's bilateral relationships. Overseas and Guest of Government visits have now resumed to pre-COVID-19 activity, resulting in a reduction in virtual engagements.

The Protocol and International Visits Branch successfully supported a total of 5 prime ministerial overseas visits to 14 nations over 54 days and successfully delivered the incoming Guest of Government program.

The Department of Foreign Affairs and Trade assisted PM&C with a ministerial-level visit from India and 2 visits by Heads of International Organisations.

PM&C also managed 186 airport facilitations for Heads of State and Heads of Government who were transiting or making private visits to Australia – a fourfold increase on last year's figures.







## Performance measure 3.2.2

### Proportion of key stakeholders satisfied with the coordination and support provided by PM&C for the Minister for Women's (and other key parties supported by the Office for Women) international engagements

<b>2022–23 target</b>	75% satisfied
<b>2022–23 result</b>	<b>Achieved</b> <b>82% satisfied</b>
<b>Data source / methodology</b>	Data collected and reported by the department's independent annual stakeholder satisfaction survey.
<b>Source</b>	Portfolio Budget Statements 2022–23, Outcome 1, Program 1.1 Corporate Plan 2022–26, page 42

#### Analysis

In 2022–23, we worked with the Minister for Women and her office to promote Australia's interest and deepen cooperation between Australia and other nations as it pertains to women's safety, economic security, leadership and other international issues. We did this by providing support for the Minister's participation in international engagements and forums.

An annual external stakeholder satisfaction survey is conducted to assess the proportion of key stakeholders satisfied with the coordination and support that PM&C provides for the Minister for Women's (and other key parties supported by the Office for Women) international engagements. Ministerial and other key stakeholders were surveyed. PM&C used structured interviews with ministers, or their delegates, to assess our performance. The results are based on the weighted average percentage of survey respondents who provided positive ratings (which indicates their satisfaction) and include ratings of 4 (agree) or 5 (strongly agree) to relevant questions. Further information on the survey methodology can be found on pages 59–61.

Overall, the result from both stakeholder groups was 82%. The overall result has been calculated by applying an equal weighting to the ministerial satisfaction index of 100% and the key external stakeholder effectiveness index of 63%.



### Performance measure 3.2.3

#### Proportion of key stakeholders satisfied with the coordination and support provided by PM&C for the Prime Minister's international engagements

<b>2022–23 target</b>	75% satisfied
<b>2022–23 result</b>	<b>Achieved</b> <b>89% satisfied</b>
<b>Data source / methodology</b>	Data collected and reported by the department's independent annual stakeholder satisfaction survey.
<b>Source</b>	Portfolio Budget Statements 2022–23, Outcome 1, Program 1.1 Corporate Plan 2022–26, page 42

#### Analysis

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

An annual external stakeholder satisfaction survey is conducted to assess the proportion of key stakeholders satisfied with the coordination and support that PM&C provides for the Prime Minister's international engagements. Ministerial and other key stakeholders were surveyed. PM&C used structured interviews with ministers, or their delegates, to assess our performance. The results are based on the weighted average percentage of survey respondents who provided positive ratings (which indicates their satisfaction) and include ratings of 4 (agree) or 5 (strongly agree) to relevant questions. Further information on the survey methodology can be found on pages 59–61.

Overall, the result from both stakeholder groups was 89%. The overall result has been calculated by applying an equal weighting to the ministerial stakeholder satisfaction index of 100% and the effectiveness index for key external stakeholders of 78%.



## Key activity 4: Collaborate, communicate, engage

This key activity and the underpinning measures evaluate the support we provide to the Prime Minister and our portfolio ministers to engage with the community. They also capture stakeholder satisfaction with our key engagement activities undertaken as part of our everyday work. Effective collaboration and engagement is an important aspect in delivery against the other four key activities.

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

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**Partially achieved**

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



## Performance measure 4.1.1

### Proportion of incoming ministerial correspondence triaged and assigned for appropriate action within five working days

2022–23 target	95%
2022–23 result	<b>Partially achieved</b> <b>94%</b>
Data source / methodology	Data collected on proportion of incoming ministerial correspondence triaged and assigned for action via the Parliamentary Document Management System.
Source	Portfolio Budget Statements 2022–23, Outcome 1, Program 1.1 Corporate Plan 2022–26, page 45

#### Analysis

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

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

For the period 1 July 2022 to 30 June 2023, 89,587 items of correspondence were received and triaged by the department. Of these items, 84,165 (94%) were triaged and assigned for appropriate action within the target of 5 working days. The remaining 5,422 (6%) were triaged and assigned for appropriate action after 5 working days.



## Performance measure 4.1.2

### Proportion of stakeholders satisfied with the effectiveness of PM&C's stakeholder collaboration, communication and engagement exercises

<b>2022–23 target</b>	75% satisfied
<b>2022–23 result</b>	<b>Achieved</b> <b>91% satisfied</b>
<b>Data source / methodology</b>	Data collected and reported by the department's independent annual stakeholder satisfaction survey.
<b>Source</b>	Portfolio Budget Statements 2022–23, Outcome 1, Program 1.1 Corporate Plan 2022–26, page 46

#### Analysis

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

An annual external stakeholder satisfaction survey is conducted to assess the proportion of key stakeholders satisfied with the effectiveness of PM&C's stakeholder collaboration, communication and engagement exercises. Ministerial and other key stakeholders were surveyed. PM&C used structured interviews with ministers, or their delegates, to assess our performance. The results are based on the weighted average percentage of survey respondents who provided positive ratings (which indicates their satisfaction) and include ratings of 4 (agree) or 5 (strongly agree) to relevant questions. Further information on the survey methodology can be found on pages 59–61.

The overall result from both stakeholder groups was 91%. The overall result has been calculated by applying an equal weighting to the ministerial satisfaction index of 100% and the key external stakeholder effectiveness index of 82%.

The key stakeholder effectiveness index assessed the satisfaction with the effectiveness of PM&C's stakeholder collaboration, communication and engagement activities by asking stakeholders if PM&C staff engaged in a respectful manner and listened to stakeholders, communicated effectively, responded in a timely way to issues, and provided sufficient and timely information.



## Key activity 5: Deliver

PM&C is directly responsible for delivering some Australian Government programs. We also support the Cabinet as the focal point of Government decision-making and assist the PM&C Secretary and Secretary for Public Sector Reform in their APS stewardship responsibilities. We deliver well-coordinated corporate and enabling services that support our business operations and that of our portfolio agencies. In measuring the impact of this activity, we primarily assess stakeholder satisfaction with our efforts and volume of output.

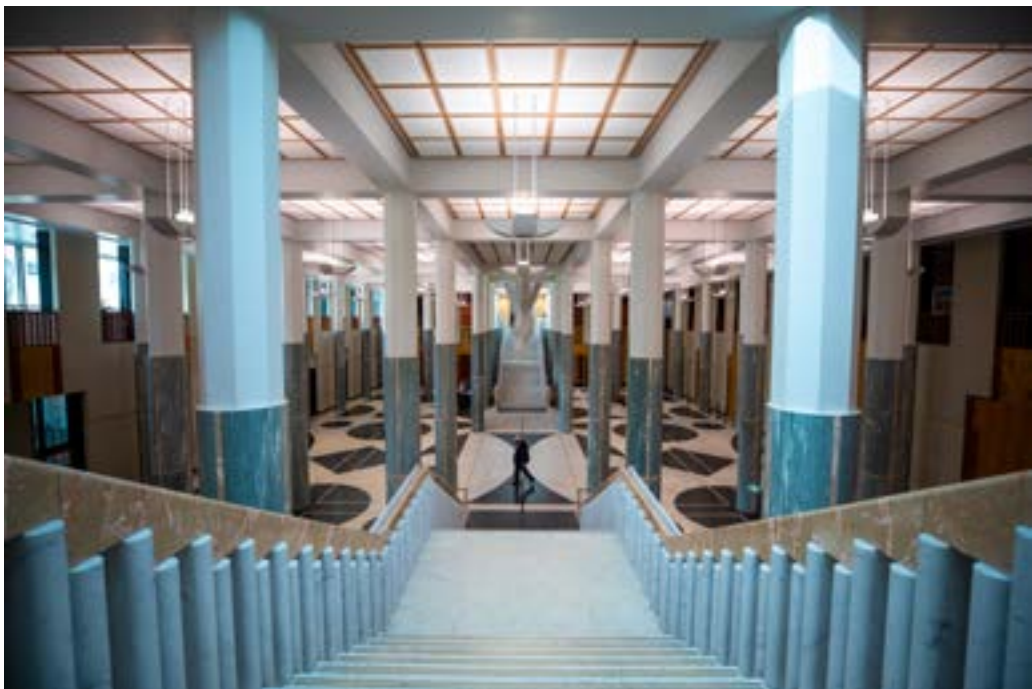
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**Intended result 5.1:** PM&C delivers the Women's Leadership and Development Program

**Achieved**

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The department is directly responsible for successfully delivering some Australian Government programs. This includes the Women's Leadership and Development Program.





## Performance measure 5.1.1

### Proportion of Government agreed grant funding decisions under the Women's Leadership and Development Program executed by the department

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**2022–23 target** 80%

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**2022–23 result** **Achieved**  
**100% of Government agreed grant funding decisions under the Women's Leadership and Development Program were executed by the department.**

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**Data source / methodology** Data collected from the Department of Social Services Community Grants Hub's Grants Processing System (GPS) and all government funding decisions recorded in Parliamentary Document Management System. For the purposes of reporting against this performance measure, grant funding decisions are those approved by the Minister for Women, to allocate funding in the reporting period, and executed within the same reporting period. This measure is supported by a case study.

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**Source** Portfolio Budget Statements 2022–23, Outcome 1, Program 1.1 Corporate Plan 2022–26, page 48

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#### Analysis

In 2022–23, there were 90 active grant agreements, with the majority of these projects funded in 2020–21 and 2021–22 through open competitive grant rounds. In 2022–23, under the Lead and Succeed grant round, 6 projects were funded, with an emphasis on women's leadership, workforce participation and safety. PM&C also conducted the Women in Public Office targeted competitive grant round, seeking projects that support organisations to equip and encourage more women across the political spectrum to run for public office. PM&C varied its grant agreements with the 6 National Women's Alliances to provide additional funding and implemented 3 measures from the 2022–23 October Budget to expand successful projects: the Future Female Entrepreneurs Program; the Jobs Academy; and the Family Friendly Workplaces Initiative.



Targets are not appropriate due to fluctuations in the nature and complexity of projects in any given year. In order to assess performance and apply a result rating of achieved, performance was assessed by reviewing the reported number of Women's Leadership and Development Program projects approved by Government and funded within the 2022–23 reporting period in conjunction with the analysis and case study to determine if it met the requirements of the performance measure, intended result and key activity.

### **Case study: Jobs Academy**

Women over 40 represent a critical and unique pool of Australian workers who are available and motivated to work, but face lower workforce participation rates, are less likely to be in paid employment, and have lower average weekly earnings, lifetime savings and superannuation than men.

To address this, the 2022–23 Budget provided Future Women an additional \$8.7 million over 2022–23 to 2025–26 by expanding the Jobs Academy pilot program under the Women's Leadership and Development Program. This funding will support an additional 2,000 women aged 40+ to improve their job readiness, workforce participation and economic security.

Outcomes of the pilot include 101 members (72% of the cohort) that successfully started a new job or commenced training/study. Of this group, 86% secured a new job, 29% commenced training or study and 4% started a business, noting that 15 members secured both job and study success.





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

**Achieved**

The department is directly responsible for successfully delivering a range of Australian Government programs, activities, frameworks and strategies. This includes our services in supporting the business activities of the Cabinet.

### **Performance measure 5.2.1**

#### **Proportion of stakeholders satisfied with support to the Cabinet and its Committees**

**2022–23 target** 75% satisfied

**2022–23 result** **Achieved**  
**93% satisfied**

**Data source / methodology** Data collected and reported by the department's independent annual stakeholder satisfaction survey. This measure is supported by a case study.

**Source** Portfolio Budget Statements 2022–23, Outcome 1, Program 1.1 Corporate Plan 2022–26, page 50

#### **Analysis**

To ensure the Cabinet and its Committees are focusing on what matters most to the Government, PM&C works closely with the Cabinet Secretary to manage the Cabinet and Cabinet Committee forecast. We also work closely with other departments to ensure items prepared for consideration are of high-quality and comply with their authority to come forward.

An annual external stakeholder satisfaction survey is conducted to assess the proportion of key stakeholders satisfied with the support to the Cabinet and its Committees. Ministerial and other key stakeholders were surveyed. PM&C used structured interviews with ministers, or their delegates, to assess our performance. The results are based on the weighted percentage of survey respondents who provided positive ratings (which indicates their satisfaction) and include ratings of 4 (agree) or 5 (strongly agree) to relevant questions. Further information on the survey methodology can be found on pages 59–61.



Overall, the result from both stakeholder groups was 93%. The overall result has been calculated by applying an equal weighting to the ministerial stakeholder satisfaction index of 100% and the effectiveness index for key external stakeholders of 86%.

### **Case study: Types of support provided to the Expenditure Review Committee**

The Expenditure Review Committee (ERC) considers new expenditure and revenue proposals during and between the Commonwealth Budget and Mid-Year Economic and Fiscal Outlook updates. For the ERC to operate effectively, significant logistical and operational support is provided from within PM&C, and across central agencies and other Commonwealth portfolios.

Cabinet Division supports the ERC to ensure that priority policy matters are scheduled and Government decisions are taken in a timely and secure way, based on analysis and advice to facilitate robust discussions and collaborative decision-making.

In consultation with relevant internal and external stakeholders, including the Prime Minister's and Cabinet Secretary's offices, Cabinet Division manages the ERC schedule and forward program. The ERC forward schedule supports deliberations in line with the Government's priorities and decisions on the nature, scale and timing of spending in response to critical policy challenges.

To support the ERC in its decision-making, Cabinet Division works closely with internal and external stakeholders to coordinate and securely distribute submissions and associated briefing materials. Cabinet Division also supports the orderly arrangement and conduct of ERC meetings, and the preparation, clearance and secure distribution of Cabinet and Cabinet committee decisions to affected agencies.

The orderly and secure conduct of ERC meetings allows robust debate about the nature, scale and timing of policy and spending responses to critical policy challenges. It is a key enabler of the preparation of the Commonwealth Budget and Mid-Year Economic and Fiscal Outlook statements.

Cabinet Division continues to provide critical logistical support to a high frequency of ERC meetings, enabling robust and secure deliberations on hundreds of proposals annually across Commonwealth Budget reporting periods.



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

**Achieved**

The department is directly responsible for successfully delivering a range of Australian Government programs, activities, frameworks and strategies. This includes the provision of high-quality project and policy analysis to support the business activities of the department, the Prime Minister, the Cabinet, portfolio ministers and the APS enterprise.

**Performance measure 5.3.1**

**Number of advisory and evaluation projects completed that contribute to the delivery of Government priorities through the application of behavioural insights**

**2022–23 target** 20 projects

**2022–23 result** **Achieved**  
**35 completed advisory and evaluation projects contributed to the delivery of Government priorities through the application of behavioural insights.**

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

**Source** Portfolio Budget Statements 2022–23, Outcome 1, Program 1.1 Corporate Plan 2022–26, page 52

**Analysis**

At PM&C, we advance the wellbeing of Australians through the application of behavioural insights and rigorous evaluation to public policy and administration.

Through quantitative and qualitative research projects, the Behavioural Economics Team of the Australian Government (BETA) has contributed to a range of policy areas and Government priorities, including in response to teacher shortages, mental health and rising energy prices.



Key successes include diagnostic work on understanding and improving retention in the NDIS workforce, helping the National Mental Health Commission deliver a national survey on mental health-related stigma and discrimination, and working with the Australian Taxation Office Behavioural Insights Unit to contribute to the design process for the YourSuper Comparison Tool.





## Performance measure 5.3.2

### Proportion of stakeholders satisfied that PM&C effectively contributes to the delivery of Government priorities using structured policy analysis

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<b>2022–23 target</b>	75% satisfied
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<b>2022–23 result</b>	<b>Achieved</b> <b>78% satisfied</b>
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<b>Data source / methodology</b>	Data collected and reported by the department’s independent annual stakeholder satisfaction survey. New performance measure.
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<b>Source</b>	Portfolio Budget Statements 2022–23, Outcome 1, Program 1.1 Corporate Plan 2022–26, page 53
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#### Analysis

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

To better measure our effectiveness at contributing to Government priorities using structured policy analysis, we measured the proportion of stakeholders satisfied with the policy analysis provided to determine if the advice was responsive to stakeholders’ needs and whether it improved their understanding of the policy issue.

An annual external stakeholder satisfaction survey is conducted to assess the proportion of key stakeholders satisfied that PM&C effectively contributed to the delivery of the Government priorities using structured policy analysis. Key stakeholders were surveyed and the results are based on the weighted average percentage of survey respondents who provided positive ratings (which indicates their satisfaction) and include ratings of 4 (agree) or 5 (strongly agree) to relevant questions. Further information on the survey methodology can be found on pages 59–61.

Overall, 78% of our stakeholders were satisfied with PM&C’s contribution to the delivery of Government priorities using structured policy analysis. The overall result has been calculated by applying an equal weighting to the effectiveness index of 74% and the efficiency index of 82%.



**Intended result 5.4:** PM&C drives public sector reform and continuous improvement

**Achieved**

The department is responsible for leadership on APS Reform as well as overseeing a range of policy capability uplift activities.

### Performance measure 5.4.1

#### Proportion of APS enterprise employees satisfied with the training provided to uplift their policy capability

<b>2022–23 target</b>	75%
<b>2022–23 result</b>	<b>Achieved</b> <b>92% of APS enterprise employees surveyed were satisfied with the training provided to uplift their policy capability.</b>
<b>Data source / methodology</b>	Data collected through training evaluation surveys. This measure is supported by case studies that demonstrate the types of training provided.
<b>Source</b>	Portfolio Budget Statements 2022–23, Outcome 1, Program 1.1 Corporate Plan 2022–26, page 55

#### Analysis

The Office of Impact Analysis (OIA) conducted training and workshops that reached well over 1,000 officials across the APS. The training and workshops primarily focus on ensuring APS staff meet the requirements of the Australian Government’s Policy Impact Analysis framework.

Of those who completed a survey about the training, 100% were satisfied that the training provided built upon their Impact Analysis knowledge, with 95% of respondents satisfied in being able to incorporate this knowledge into their own work.

PM&C’s Policy Innovation and Projects Division offers specialist training and support, with a focus on the use of behavioural insights, structured problem solving and strategic policy analysis to address complex challenges. Dedicated training offers are supplemented with a wide range of bespoke strategy workshops, tailored advice and ad hoc support based on individual stakeholder needs and work agendas, with 90% of respondents satisfied with the training provided to uplift their policy capability.



In 2022–23, PM&C launched a major new training initiative focused on core tradecraft skills for PM&C policy officers. Developed and delivered by PM&C's Policy Projects and Taskforce Office, the training emphasises practical skills, insights from experienced officers and the opportunity to apply tradecraft lessons through scenario exercises.

PM&C achieved this measure in cooperation with the APS Academy, which sits within the Australian Public Service Commission. The APS Academy began delivering policy capability training based on the Delivering Great Policy Advice model in October 2021. The Delivering Great Policy Advice model comprises 4 pillars: being clear on intent; being well informed; offering solutions that are practical to implement; and providing advice that is influential. Overall, there was a 92% satisfaction with the delivery of 'Delivering Great Policy Foundations' and 'Level Up!'. This series of training complements other capability modules offered by the APS Academy and is consistent with the APS Reform agenda's efforts to improve the APS's ability to deliver Government priorities.

### **Case study: Strengthening APS capability through the Delivering Great Policy initiative**

In 2022–23, the APS Reform Office within PM&C continued to oversee a series of policy training offerings for the APS based on the Delivering Great Policy model, which was developed through an extensive process of co-design.

The APS Reform Office worked in close partnership with the APS Academy to embed these offerings as core curriculum in the Strategy, Policy and Evaluation Craft and has worked with APS learning and development teams to roll out these offerings across the APS.

The Delivering Great Policy program has helped lift policy advice capability in individuals and teams to support the delivery of rigorous and robust policy advice to the Government, with a clear line of sight to outcomes for Australians.

Practitioner-led training has contributed to high participant satisfaction rates and delivered practical and experiential learning opportunities to staff.



### **Case study: Cost benefit analysis in Australian Government policy**

The Office of Impact Analysis (OIA) oversees the Australian Government's Policy Impact Analysis framework through 2 elements: a coaching element, to lift the APS's capability to conduct evidence-based policy analysis; and an assessment role, assessing the work of others against the Government's Impact Analysis Framework.

In 2022–23, 'Cost Benefit Analysis in Australian Government Policy' training with the Department of Climate Change, Energy, the Environment and Water was piloted. The training was designed to include practical activities on scoping and design decisions for real policy scenarios; tips and tricks for managing contractors; and simple Excel tools and checklists.

The lessons from the training feedback helped to refine the training materials and approach to delivery, and the OIA improved its specific training package that works through the key concepts of 'Cost Benefit Analysis in Australian Government Policy'.

### **Case study: Building behavioural insights capability**

The Behavioural Economics Team of the Australian Government (BETA) delivers a capability program to upskill the APS in applying evidence from the behavioural and social sciences to public policy.

In 2022–23, 1,993 Australian Public Servants participated in BETA's training, including through attendance at presentations and undertaking online training courses.

In May 2023, to further strengthen and embed the use of behavioural insights in public policy, BETA launched BE Coached – a one-on-one mentoring program for APS staff who already have a baseline understanding of behavioural insights.

BETA's BE Coached program provides targeted coaching to support teams across the APS in the delivery of their behavioural insights projects.





## Performance measure 5.4.2

### Establishment of a new APS Reform agenda

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<b>2022–23 target</b>	New APS Reform agenda developed and agreed with implementation commenced / or agreed and established.
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<b>2022–23 result</b>	<b>Achieved</b> <b>A new APS Reform agenda has been developed and agreed with implementation commenced.</b>
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<b>Data source / methodology</b>	Data collected through APS Reform records and reporting tool. This performance measure has been updated to monitor performance against the establishment of a new APS Reform agenda. We were unable to continue with the previous measure (number of initiatives implemented under the former APS Reform agenda) as the current Government's reform agenda has reset the baseline initiatives to be delivered through this program.
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<b>Source</b>	Portfolio Budget Statements 2022–23, Outcome 1, Program 1.1 Corporate Plan 2022–26, page 56
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#### Analysis

The Government announced its APS Reform agenda in October 2022. The APS Reform Plan is based on 4 pillars: an APS that embodies integrity in everything it does; an APS that puts people and business at the centre of policy and services; an APS that is a model employer; and an APS that has the capability to do its job well.

In October 2022, it was announced that the agenda has been funded for \$72.9 million over 3 years. Progressed initiatives include:

- an APS Capability Reinvestment Fund, investing in the organisational capability of the APS in high-priority areas such as gender impact analysis and embedding evaluation across the APS
- an expanded Survey of Trust in Australian Public Services (formerly the Citizen Experience Survey) to enable Government to improve the experience of people engaging with government services
- a pilot of future-focused Capability Reviews of departments and large agencies to identify urgent and emerging capability needs in areas including leadership, people, whole-of-government collaboration, culture and behaviours



- a pilot in-house consulting model to build and strengthen APS capabilities, and reducing spend on consultancies
- introduction of proposed changes to the *Public Service Act 1999* to Parliament that will help the APS better serve the Government, the Parliament, and the Australian community into the future. Subject to the passage of legislation, changes will establish components of 8 key APS Reform initiatives.

The governance architecture implemented to support the initiatives includes a dedicated APS Reform Program Board, which oversees the systems, process and progress of the overall program delivery. In consultation with initiative leads, the APS Reform Office has developed a reporting model and subsequent initiative-level risk framework to monitor and support program delivery, which will also inform program governance decision-making.





# Stakeholder survey

PM&C seeks feedback from external stakeholders to evaluate performance against a number of key activity areas. Performance measures 1.1.1, 2.1.1, 2.1.2, 3.1.2, 3.2.2, 3.2.3, 4.1.2, 5.2.1 and 5.3.2 rely on stakeholder satisfaction surveys.

In 2022–23, the department conducted 2 surveys:

- a survey of 4 PM&C portfolio ministerial stakeholders (Prime Minister; Minister for Women and Minister for the Public Service; Cabinet Secretary; and Assistant Minister to Prime Minister and Assistant Minister for the Public Service)
- a survey of other key external stakeholders.

The department engaged an independent research organisation, ORIMA Research, to conduct the surveys.

## Who we surveyed

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

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

ORIMA Research also independently assessed the completeness and integrity of the proposed lists of stakeholders to be surveyed. Completeness checks included:

- a comparison of the number of stakeholders nominated for participation in the survey by each business unit against the number nominated in 2022. In cases where any business units reported a significant reduction (20% or more) they were asked to check and confirm that they had included all in-scope stakeholders. No such cases were identified in 2023



- an assessment of whether all stakeholders that could reasonably be expected to have been specified by each business unit (for example, other central agencies) had been specified. In cases where this process identified potential gaps, business units were asked to check and confirm that they had included all in-scope stakeholders. No such cases were identified in 2023.

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

- senior officers (Executive Level 2 equivalent and above) from Australian Government entities and senior executives from other organisations who have dealt with PM&C in a substantial way in 2022–23. Dealing in a 'substantial way' was defined as either:
  - dealing with the department in relation to at least 3 different matters in 2022–23 (for example, a particular stage of a reform process, a particular issue, a Cabinet submission)
  - dealing with PM&C via multiple interactions (for example, emails, meetings, telephone conversations) over a cumulative period (not necessarily continuous) of at least 4 weeks in 2022–23.

## Data collection methodology

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



For the external stakeholder survey, data was collected via an online survey and a program of in-depth, qualitative, follow-up interviews with a sample of (n=30, targeted) respondents to the online survey. The purpose of the interviews was to obtain more detailed qualitative information concerning PM&C's performance, including obtaining some examples / case studies of good practice and outcomes (which could be used to enhance performance reporting) and more clearly identifying opportunities for improvement.

## Survey response rate

We received 4 responses for the ministerial survey and 339 responses to the external stakeholder survey – response rates of 100% and 27% respectively.

The final response rates achieved for the ministerial survey and online external stakeholder survey are outlined in Table 2.3 below.

**Table 2.3: Survey response rates**

Entity type	Number invited	Number completed	Response rate
Ministerial stakeholder survey	4	4	100%
External stakeholder survey	1,258	339	27%
Australian Government entity stakeholders	1,157	306	26%
Other stakeholders	101	33	33%

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



# Part three: Management and accountability

## Corporate governance

Our corporate governance framework guides good public sector governance and sound business practices across all areas of the department. In 2022–23, our governance committee structure was revised to effectively drive the desired leadership, culture and performance of the department and provide further assurance to enable the strategic setting of priorities and the identification and management of risks. PM&C continues to invest in performance, accountability and oversight elements to achieve the highest standards of openness, transparency, integrity and effective collaboration.

## Planning and performance reporting framework

PM&C is committed to producing accurate, accountable and transparent performance reporting information. The PM&C reporting framework clearly outlines intended achievements within the 2022–23 reporting period. Throughout the reporting period we continued to mature our performance measures, methodologies and supporting targets (where appropriate) to provide a clearer reporting line from the PBS to the department’s purpose, reported results and achievements in the Annual performance statement 2022–23.

The Corporate Plan 2022–26 was developed in accordance with section 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and the *Public, Governance, Performance and Accountability Rule 2014* (PGPA Rule). Compliance of all performance measures has been assessed against section 16EA of the PGPA Rule.

## Committees

PM&C's 7 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: Governance committees and their purpose**

Committee	Purpose
<b>Executive Board</b>	Provided governance, senior leadership and strategic direction for the delivery of Government and other departmental priorities and objectives. It supported key decisions and reviewed risks with a primary focus on Government priorities, strategic planning in policy and service, operational matters, performance monitoring, culture and resource allocation. The Executive Board is the primary governance vehicle that drives PM&C's leadership, culture, capability and performance.
<b>Operations Committee</b>	Provided support to the Secretary and Executive Board by operationalising PM&C's strategic direction and supporting the Secretary to discharge their operational responsibilities. It provided assurance to the Secretary and the Executive Board regarding the performance of the department, compliance with internal and external requirements, and continuous improvement of PM&C's operations and performance.
<b>Audit and Risk Committee</b>	Provided independent advice and assistance to the Secretary and Executive on PM&C's financial reporting, performance reporting, system of risk oversight and management, and system of internal control.
<b>Inclusion and Diversity Committee</b>	Provided a dedicated mechanism for driving and promoting PM&C's Inclusion and Diversity Strategy, action plans and initiatives, aligned to business priorities and APS-wide diversity strategies.
<b>Consultative Committee</b>	Provided a forum for employee consultation on matters and policies relating to the operation of the Department of the Prime Minister and Cabinet Enterprise Agreement 2021–24, including the development and review of employment policies.



**Table 3.1 continuing**

<b>Committee</b>	<b>Purpose</b>
<b>Health, Safety and Wellbeing Committee</b>	Provided a formal mechanism for consultation and cooperation on work health and safety matters that affect workers, including initiating, developing and implementing measures designed to ensure the health, safety and wellbeing of workers. This committee is established under section 75 of the <i>Work Health and Safety Act 2011</i> .
<b>ICT Program Management Board</b>	Provided advice and assurance to the Chief Information Officer, Operations Committee and Executive Board on ICT project delivery and its strategic alignment, ICT risks and issues management and the overall performance of the Information Services Branch, including compliance with internal and external requirements.

## Internal audit

Internal auditing is an independent, objective assurance and consulting and advisory activity designed to add value and improve PM&C's operations, management of risks and performance. It helps PM&C achieve its purposes and objectives through a systematic, disciplined approach to evaluating and improving the effectiveness of risk management practices, internal controls and governance processes. The Internal Audit team develops an internal audit work plan each financial year in consultation with the Audit and Risk Committee, Operations Committee and Executive Board to ensure the department's key risks and priorities are addressed.

## Audit and Risk Committee

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

The Audit and Risk Committee Charter sets out the committee's role, authority, responsibilities, composition and tenure, reporting, and administrative arrangements. The charter can be found on the PM&C website at: [www.pmc.gov.au/resources/audit-and-risk-committee-charter](http://www.pmc.gov.au/resources/audit-and-risk-committee-charter).

Table 3.2 provides details on Audit and Risk Committee membership for the period 1 July 2022 to 30 June 2023.

**Table 3.2: PM&C Audit and Risk Committee**

Member name	Qualifications, knowledge, skills or experience (formal and informal)	Number of meetings attended	Total number of meetings held	Total annual remuneration (GST inc.)	Additional Information (including role on committee)
Carol Lilley	<p>Carol Lilley was an independent member and was the chair of the PM&amp;C Audit and Risk Committee. Ms Lilley's experience and qualifications include:</p> <ul style="list-style-type: none"> <li>• Ms Lilley is currently serving on a range of other Commonwealth Government audit committees, including those of the Department of Home Affairs, Services Australia, the Australian Federal Police and Austrade.</li> <li>• Ms Lilley is the deputy chair of Icon Water and has had other director roles in the Commonwealth Government and the private sector.</li> <li>• A former partner of PricewaterhouseCoopers, Ms Lilley has a background in financial statements, internal audit and risk management, and is now an independent director and audit committee member.</li> <li>• Ms Lilley holds a Bachelor of Commerce degree.</li> <li>• Ms Lilley is a Graduate of the Australian Institute of Company Directors, a Fellow of the Institute of Chartered Accountants and a certified internal auditor.</li> </ul>	5	5	\$26,251	Chair

**Table 3.2 continuing**

Member name	Qualifications, knowledge, skills or experience (formal and informal)	Number of meetings attended	Total number of meetings held	Total annual remuneration (GST inc.)	Additional Information (including role on committee)
<p>Maria Storti</p>	<p>Maria Storti is an independent member of the PM&amp;C Audit and Risk Committee and the Financial Statements Adviser. Ms Storti's experience and qualifications include:</p> <ul style="list-style-type: none"> <li>• Ms Storti specialises in financial management, governance and risk management.</li> <li>• Ms Storti serves as a member on several boards and audit committees across the Commonwealth. Her experience includes positions as performance improvement partner at EY, Deputy CEO at Defence Housing Australia, and Vice-President Governance &amp; Development at the University of Canberra.</li> <li>• Ms Storti holds a Bachelor of Economics degree.</li> <li>• Ms Storti is admitted as a Certified Practising Accountant.</li> <li>• Ms Storti holds a Master of Business Administration and is a Fellow of Chartered Accountants Australia and New Zealand.</li> <li>• Ms Storti is a Fellow of the Australian Institute of Company Directors and a member of the Institute of Internal Auditors.</li> </ul>	5	5	\$15,663	Independent Member and Financial Statements Adviser

**Table 3.2 continuing**

Member name	Qualifications, knowledge, skills or experience (formal and informal)	Number of meetings attended	Total number of meetings held	Total annual remuneration (GST inc.)	Additional Information (including role on committee)
David Bryant	<p>David Bryant is an independent member of PM&amp;C's Audit and Risk Committee. Dr Bryant's experience and qualifications include:</p> <ul style="list-style-type: none"> <li>• Dr Bryant is currently serving on a range of other Commonwealth Government audit committees, including those of the Department of Infrastructure, Transport, Regional Development, Communications and the Arts; IP Australia; and the Australian Digital Health Agency.</li> <li>• Dr Bryant is a Senior ACS Certified Professional and AIPM Certified Practising Project Director and specialises in IT governance and projects.</li> <li>• Dr Bryant is a Lecturer in Business Analysis at the Australian National University.</li> <li>• Dr Bryant is a Fellow of the Australian Institute of Project Management and a Graduate of the Australian Institute of Company Directors.</li> <li>• Dr Bryant has over 35 years' experience of consulting with the APS.</li> <li>• Dr Bryant holds the degrees of Doctor of Philosophy (Management Information Systems), Master of Business Administration (Technology Management) and Bachelor of Information Technology.</li> </ul>	2	2	\$8,800	Independent member for part of the year; 2 meetings were held during this time

**Table 3.2 continuing**

Member name	Qualifications, knowledge, skills or experience (formal and informal)	Number of meetings attended	Total number of meetings held	Total annual remuneration (GST inc.)	Additional Information (including role on committee)
Paul Smith	<p>Paul Smith is an independent management consultant and an independent member of PM&amp;C's Audit and Risk Committee. Mr Smith's experience and qualifications include:</p> <ul style="list-style-type: none"> <li>Mr Smith has operated in executive committee roles across all facets of consulting organisations, including strategy, operations, and compliance. Currently he is an independent management consultant.</li> <li>Mr Smith has over 35 years' experience in financial management and ICT consulting to public sector, commercial and not-for-profit organisations.</li> <li>Mr Smith has 22 years' experience as a partner in consulting firms.</li> <li>Mr Smith 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.</li> <li>Mr Smith qualifications include a Bachelor of Commerce (ANU).</li> </ul>	3	3	\$5,000	Independent member for part of the year; 3 meetings were held during this time

**Table 3.2 continuing**

Member name	Qualifications, knowledge, skills or experience (formal and informal)	Number of meetings attended	Total number of meetings held	Total annual remuneration (GST inc.)	Additional Information (including role on committee)
Matt Cahill	<p>Matt Cahill is an independent member of PM&amp;C's Audit and Risk Committee. Mr Cahill's experience and qualifications include:</p> <ul style="list-style-type: none"> <li>Mr Cahill has over 20 years' experience as a senior executive in multiple Commonwealth Public Service portfolios, leading policy, operational, service delivery, program, regulatory, corporate and assurance leadership teams. He is a former Group Executive Director of the Australian National Audit Office.</li> <li>Mr Cahill is admitted as a Fellow, CPA Australia.</li> <li>Mr Cahill holds the degrees of Master in Business Administration and Bachelor of Economics and Science</li> <li>Mr Cahill is a Graduate of the Australian Institute of Company Directors.</li> </ul>	0	0	\$0	Independent member for part of the year, no meetings were held during this time

## Risk management

PM&C engages with risk in a dynamic and proactive manner. The PM&C Risk Management Policy and Framework has been designed to outline the requirements for and approach towards effective risk management at PM&C.

A review of the PM&C Risk Management Policy and Framework, including risk appetite and tolerance statements, commenced to ensure it remains fit for purpose and addresses all 9 elements of the revised Commonwealth Risk Management Policy 2023.

In 2022–23, we updated our mandatory risk management e-learning module to educate staff on risk management principles.

## Climate risk

PM&C is taking active steps to consider its climate risk exposure and promote climate risk policy across the APS. In 2023, PM&C participated in the Integrated Pilot for the Commonwealth Climate Risk and Opportunity Management Program led by the Department of Climate Change, Energy, the Environment and Water. The pilot tested a standardised, voluntary approach to climate risk disclosure. It centred on a framework tailored for government agencies that is closely aligned with leading international practice for climate risk disclosure.

PM&C is committed to increasing the Australian Government's climate risk practice and will continue to assess its climate risks in accordance with the obligations established by the PGPA Act and the *Public Service Act 1999*.

## Fraud and corruption prevention and control

PM&C does not tolerate fraud or corruption and takes all reasonable measures to prevent, detect and respond to fraud. PM&C's fraud and corruption control framework is regularly reviewed and aligns with the Commonwealth Fraud Control Framework 2017.

A key component of the framework is PM&C's [Fraud and Corruption Control Plan](#), which aligns with section 10 of the PGPA Rule. The plan summarises the department's key fraud risks and the measures taken to address these risks.

In 2022–23, the department prepared for the establishment of the National Anti-Corruption Commission (NACC). This included reviewing existing policies, procedures and risk frameworks, and developing communication and guidance material for staff.

While preparing for the NACC, PM&C commenced a review of its fraud risk assessment. The purpose of this review is to identify relevant corruption risks, in addition to any new and evolving fraud risks. Once this body of work is completed, the PM&C Fraud and Corruption Control Plan will be reviewed.

In 2022–23, we updated our mandatory fraud awareness e-learning module to educate staff about fraud and corruption, and what they need to do if they became suspicious of fraudulent or corrupt activity.

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

## External scrutiny

### External audit

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

- Auditor-General Report No. 44 of 2022–23: *Management of Information Assets*, tabled in the Parliament on 28 June 2023, cross-entity.



## Parliamentary committees

### *Senate Standing Committees on Finance and Public Administration*

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

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

### *Senate Finance and Public Administration Legislation Committee*

PM&C representatives appeared before the committee at its Senate Estimates hearings on 28 October 2022, 7 November 2022, 13 and 14 February 2023, and 22 and 25 May 2023.

### *Senate Finance and Public Administration References Committee*

On 4 May 2023, PM&C representatives attended a hearing of the inquiry into the administration of the referendum on an Aboriginal and Torres Strait Islander Voice.

### *Other committees*

On occasion PM&C is invited to appear at hearings of other committees covering specific topics. Representatives from PM&C appeared at a hearing for the following inquiry in 2022–23:

- Senate Economics Legislation Committee: Inquiry into the National Energy Transition Authority Bill 2022.

PM&C also made a submission to the following inquiry in 2022–23:

- Joint Select Committee on Parliamentary Standards.

## Judicial decisions and other external scrutiny

PM&C was a respondent in 6 matters before the Administrative Appeals Tribunal: *Patrick and Secretary, Department of the Prime Minister and Cabinet (Freedom of Information)* [2022] AATA 5550 and 6306; and *Patrick and Secretary, Department of the Prime Minister and Cabinet (Freedom of Information)* [2023] AATA 0143, 0197, 0436 and 0437. The Australian Government Solicitor was engaged as PM&C's legal representative. Three of these matters were settled by consent orders agreed by the tribunal on 1 May 2023. The 3 other matters were settled by consent orders agreed by the tribunal on 25 May 2023. Settlement did not result in any payment to the applicant.

PM&C was not a party to any other judicial decisions or decisions of administrative tribunals, or any other external body in 2022–23 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 the Privacy Code.

# Our people

In 2022–23, PM&C continued to invest in our people’s capability and grow the diversity of our workforce to support the Government to deliver outcomes for all Australians.

We undertook a range of initiatives and activities to foster a safe, respectful and inclusive employee experience, giving everyone permission to contribute and perform at their best.

We continued to be guided by the APS Reform agenda and seek opportunities to be APS leaders through the provision of contemporary services, best practice advice and support in respect of our people.

We also worked to embed compliance with important legislative changes, including changes to the National Employment Standards (*Fair Work Act 2009*), changes to the *Work Health and Safety Act 2011*, and preparedness for the Respect@Work legislation and the NACC (*National Anti-Corruption Commission Act 2022*).

In 2022–23, we transitioned away from providing shared service human resource functions to the National Indigenous Australians Agency, refocusing our effort on the internal PM&C workforce.

# Employment performance

Table 3.3: All ongoing employees current report period (2022–23)\*

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

\* The majority of ongoing roles at PM&C are ACT based. Employees may have flexible work arrangements in place to work 100% from a location outside of the ACT (see 'Flexible work' on page 95).

**Table 3.4: All non-ongoing employees current report period (2022-23)\***

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

\* All roles at PM&C are ACT based. Employees may have flexible work arrangements in place to work 100% from a location outside of the ACT (see 'Flexible work' on page 95).

**Table 3.5: All ongoing employees previous report period (2021–22) \***

	Male		Female			Indeterminate			Total	
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time		Total Indeterminate
NSW	-	-	-	-	-	-	-	-	-	-
Qld	-	-	-	-	-	-	-	-	-	-
SA	-	-	-	-	-	-	-	-	-	-
Tas	-	-	-	-	-	-	-	-	-	-
Vic	-	-	-	-	-	-	-	-	-	-
WA	-	-	-	-	-	-	-	-	-	-
ACT	382	16	398	709	124	833	2	-	2	1,233
NT	-	-	-	-	-	-	-	-	-	-
External Territories	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>382</b>	<b>16</b>	<b>398</b>	<b>709</b>	<b>124</b>	<b>833</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>1,233</b>

\* All roles at PM&C were ACT based. Employees may have flexible work arrangements in place to work 100% from a location outside of the ACT (see 'Flexible work' on page 95).

**Table 3.6: All non-ongoing employees previous report period (2021–22)\***

	Male		Female		Indeterminate			Total		
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time		Part time	Total Indeterminate
NSW	-	-	-	-	-	-	-	-	-	-
Qld	-	-	-	-	-	-	-	-	-	-
SA	-	-	-	-	-	-	-	-	-	-
Tas	-	-	-	-	-	-	-	-	-	-
Vic	-	-	-	-	-	-	-	-	-	-
WA	-	-	-	-	-	-	-	-	-	-
ACT	20	5	25	33	18	51	-	1	1	77
NT	-	-	-	-	-	-	-	-	-	-
External Territories	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>20</b>	<b>5</b>	<b>25</b>	<b>33</b>	<b>18</b>	<b>51</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>77</b>

\* All roles at PM&C were ACT based. Employees may have flexible work arrangements in place to work 100% from a location outside of the ACT (see 'Flexible work' on page 95).

**Table 3.7: Australian Public Service Act ongoing employees current report period (2022–23)**

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

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



**Table 3.8: Australian Public Service Act non-ongoing employees current report period (2022-23)**

	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term*			Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	
SES 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SES 2	-	-	-	1	-	1	-	-	-	-	-	-	-	-	-	1
SES 1	2	-	2	1	-	1	-	-	-	-	-	-	-	-	-	3
EL 2	3	-	3	-	1	1	-	-	-	-	-	-	-	-	-	4
EL 1	4	-	4	9	1	10	-	-	-	-	-	-	-	-	-	14
APS 6	3	1	4	10	1	11	-	-	-	-	-	-	-	-	-	15
APS 5	3	-	3	7	1	8	-	-	-	-	-	-	-	-	-	11
APS 4	2	1	3	8	2	10	-	-	-	-	-	-	-	-	-	13
APS 3	1	-	1	3	3	6	-	-	-	-	-	-	-	-	-	7
APS 2	1	3	4	3	5	8	-	-	-	-	-	-	-	-	-	12
APS 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>19</b>	<b>5</b>	<b>24</b>	<b>42</b>	<b>14</b>	<b>56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>80</b>

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

**Table 3.9: Australian Public Service Act ongoing employees previous report period (2021-22)**

	Male			Female			Indeterminate*			Total
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time	Total Indeterminate*	
SES 3	4	-	4	3	-	3	-	-	-	7
SES 2	7	-	7	11	-	11	-	-	-	18
SES 1	23	-	23	26	5	31	-	-	-	54
EL 2	69	4	73	112	23	135	-	-	-	208
EL 1	116	7	123	236	54	290	-	-	-	413
APS 6	98	3	101	167	20	187	-	-	-	288
APS 5	41	-	41	87	17	104	-	-	-	145
APS 4	13	1	14	41	5	46	-	-	-	60
APS 3	11	-	11	23	-	23	-	-	-	34
APS 2	-	-	-	1	-	1	-	-	-	1
APS 1	-	1	1	2	-	2	-	-	-	3
Other	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>382</b>	<b>16</b>	<b>398</b>	<b>709</b>	<b>124</b>	<b>833</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>1,233</b>

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

**Table 3.10: Australian Public Service Act non-ongoing employees previous report period (2021–22)**

	Male			Female			Indeterminate*			Total
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time	Total Indeterminate*	
SES 3	-	-	-	-	-	-	-	-	-	-
SES 2	-	-	-	1	-	1	-	-	-	1
SES 1	-	1	1	-	-	-	-	-	-	1
EL 2	4	-	4	1	-	1	-	-	-	5
EL 1	5	-	5	8	1	9	-	-	-	14
APS 6	3	-	3	7	1	8	-	-	-	11
APS 5	4	-	4	4	2	6	-	-	-	10
APS 4	4	1	5	9	4	13	-	-	-	18
APS 3	-	-	-	1	2	3	-	-	-	3
APS 2	-	3	3	2	7	9	-	-	-	12
APS 1	-	-	-	-	1	1	-	-	-	1
Other	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>20</b>	<b>5</b>	<b>25</b>	<b>33</b>	<b>18</b>	<b>51</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>77</b>

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

**Table 3.11: Australian Public Service Act employees by full-time and part-time status current report period (2022–23)**

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

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

**Table 3.12: Australian Public Service Act employees by full-time and part-time status previous report period (2021-22)**

	Ongoing		Non-ongoing			Total
	Full time	Part time	Total Ongoing	Full time	Part time	
SES 3	7	-	7	-	-	7
SES 2	18	-	18	1	-	19
SES 1	49	5	54	-	1	55
EL 2	181	27	208	5	-	213
EL 1	352	61	413	13	1	427
APS 6	265	23	288	10	1	299
APS 5	129	17	146	8	2	156
APS 4	55	6	61	13	5	79
APS 3	34	-	34	1	2	37
APS 2	1	-	1	2	11	14
APS 1	2	1	3	-	1	4
Other	-	-	-	-	-	-
<b>Total</b>	<b>1,093</b>	<b>140</b>	<b>1,233</b>	<b>53</b>	<b>24</b>	<b>1,310</b>

**Table 3.13: Australian Public Service Act employment type by location current report period (2022–23)**

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

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

**Table 3.14: Australian Public Service Act employment type by location previous report period (2021–22)**

	Ongoing	Non-ongoing	Total
NSW	-	-	-
Qld	-	-	-
SA	-	-	-
Tas	-	-	-
Vic	-	-	-
WA	-	-	-
ACT	1,233	77	1,310
NT	-	-	-
External Territories	-	-	-
Overseas	-	-	-
<b>Total</b>	<b>1,233</b>	<b>77</b>	<b>1,310</b>

**Table 3.15: Australian Public Service Act Indigenous employment current report period (2022–23)**

	Total
Ongoing	24
Non-ongoing	3
<b>Total</b>	<b>27</b>

**Table 3.16: Australian Public Service Act Indigenous employment previous report period (2021–22)**

	Total
Ongoing	29
Non-ongoing	4
<b>Total</b>	<b>33</b>

## Inclusion and diversity

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

In 2022, 84% of PM&C APS Employee Census respondents said that PM&C supports and actively promotes an inclusive workplace culture and 87% said they receive the respect they deserve from their colleagues at work.

This year, PM&C worked in consultation with staff to develop and launch our Inclusion and Diversity Strategy 2023–26, which sets out our commitment and approach to continuing to grow the diversity of our workforce and embedding an inclusive, safe and respectful culture. Included in the strategy is a 27-point action plan under the pillars:

- a diverse and thriving workforce
- positive employee experience
- inclusive work processes, policy and systems
- improved inclusion and diversity capability.

The strategy reiterates our commitment to supporting APS employment targets set out in the Commonwealth Aboriginal and Torres Strait Islander Workforce Strategy 2020–2024 and the APS Disability Employment Strategy 2020–2025, and sets an ambitious internal target to increase cultural and linguistic diversity at senior levels.

This year the department ran a dedicated Cultural Diversity Sprint Project initiated by our Culturally and Linguistically Diverse (CALD) Network, seeking to identify potential barriers to cultural diversity. The project asked, ‘How can PM&C promote and grow cultural diversity at all levels, and strengthen cross-cultural capability in our policy craft?’

The project developed 28 recommended actions to increase our CALD representation and grow our policy capability. The recommendations will be implemented in parallel with our Inclusion and Diversity Strategy.



PM&C employees also established the public sector cross-agency neurodiversity community of practice, in which over 165 staff from more than 30 agencies join together to start a conversation about progressing neurodiversity inclusion in the workplace.

Our Inclusion and Diversity Committee met twice in 2022–23, chaired by the Secretary, to drive our strategic direction and monitor progress on our inclusion and diversity agenda.

Our Inclusion and Diversity Senior Executive Service (SES) Champions and employee-led networks continued to play an integral role in promoting positive change and conversation:

- Ability Network / Champion
- CALD Network / Champion
- Gender Equality Network / Champion
- Mara Network / First Nations Champion
- Pride (LGBTIQA+) Network / Champion
- Reconciliation Action Plan Working Group / Reconciliation Champion
- Wellbeing Network / Champion.

PM&C actively encouraged its employees at all levels to take responsibility for contributing to an inclusive workplace culture through:

- the PM&C Diversity Calendar, observing and celebrating key dates of significance. A range of activities are included such as inter-agency panel events for International Women’s Day, Harmony Week in March 2023, and International Day Against Homophobia, Biphobia and Transphobia (IDAHOBIT) in May 2023
- training, speakers, events and sharing of lived experiences to raise awareness and confidence in relation to inclusion and diversity – for example, cultural competency and First Nations language training, disability confidence training, empowered ally training, and promotion of neurodiversity supports
- attending and speaking at key conferences to learn about best practice and leading research in respect of a range of diversity groups, such as the Public Sector LGBTIQA+ Leadership and Allyship Summit

- embedding inclusive language and messaging in our employment policies and performance framework.
- publicly reporting on diversity workforce data and using APS Employee Census results as evidence for our forward planning
- maintaining our membership of the Australian Network on Disability, the Diversity Council of Australia, and Pride in Diversity.

PM&C was also awarded bronze employer status in the 2022 Australian Workplace Equality Index (AWEI), one of only 6 Commonwealth Government departments/agencies to be recognised.

The AWEI is Australia's national benchmarking instrument for LGBTQIA+ inclusion in Australian workplaces.

## Aboriginal and Torres Strait Islander employment

PM&C is committed to the recruitment, development and retention of Aboriginal and Torres Strait Islander people. As at 30 June 2023, 2.1% of staff identified as Aboriginal or Torres Strait Islander through PM&C's human resources system. This includes:

- 3.6% Aboriginal and Torres Strait Islander representation at the APS classification levels
- 1.0% Aboriginal and Torres Strait Islander representation at the Executive classification levels
- 1.9% Aboriginal and Torres Strait Islander representation at the SES levels.

We apply affirmative measures (Indigenous) in recruitment activities, including entry-level programs.

## Indigenous Staff Liaison Officer

In 2022–23, PM&C engaged a permanent Indigenous Staff Liaison Officer to work with business areas and stakeholders to:

- improve engagement and employment outcomes for Aboriginal and Torres Strait Islander staff
- maintain a culturally safe workplace for Aboriginal and Torres Strait Islander staff
- uplift cultural intelligence in relation to Aboriginal and Torres Strait Islander history, perspectives and experiences.

## Mara Network

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

The Mara Network, with the support of the First Nations Champion, the Reconciliation Champion and the Inclusion and Diversity Team, collaborates on initiatives to:

- improve recruitment, retention and career development for Aboriginal and Torres Strait Islander employees
- recognise and celebrate Aboriginal and Torres Strait Islander culture, traditions and diversity
- ensure the department is inclusive and respectful of Aboriginal and Torres Strait Islander peoples and culture
- engage with senior leaders to elevate issues impacting Aboriginal and Torres Strait Islander employees.

## Supporting Aboriginal and Torres Strait Islander staff

PM&C provides a range of supports to Aboriginal and Torres Strait Islander employees, including:

- our First Nations Champion, who plays a visible leadership role across PM&C and works together with the Mara Network and other networks to achieve a cohesive approach to diversity and inclusion
- our Reconciliation Champion, who assists in strengthening relationships between Aboriginal and Torres Strait Islander staff and non-Indigenous staff through active and visible leadership; and, with the First Nations Champion, advocates for positive cultural safety, competency and change
- a dedicated Aboriginal and Torres Strait Islander support line, through which Aboriginal and Torres Strait Islander employees can access free and confidential counselling and support
- leadership forums and conferences that provide opportunities for Aboriginal and Torres Strait Islander staff to discuss their career aspirations, hear from inspiring leaders and build professional networks
- opportunities to walk on Country – for example, in 2022–23, Aboriginal and Torres Strait Islander staff participated in a walk on Country guided by a Ngunnawal Elder. This allowed for our staff to connect with and build their cultural knowledge of the Ngunnawal culture and customs.

## National Aborigines' and Islanders' Day Observance Committee (NAIDOC)

The NAIDOC Week 2022 theme was 'Get Up! Stand Up! Show Up!'. PM&C celebrated NAIDOC Week with a range of events including:

- an official flag-raising ceremony and Welcome to Country
- weaving workshops
- a bush tucker garden workshop
- a Reconciliation Place walk
- an APS Touch Football Carnival
- cultural awareness training.

## National Reconciliation Week

PM&C observed the 2023 National Reconciliation Week with a range of events to demonstrate our commitment to reconciliation and building cultural intelligence and safety, including:

- an official flag-raising ceremony and afternoon tea with the Secretary, local Elders, PM&C executives, Mara Network members, and members of the APS First Nations SES Network
- a First Nations panel made up of Elders and senior leaders who emphasised that technology can be a powerful vehicle for social change. In the wake of the pandemic, remote working now enables First Nations people to apply for PM&C roles while remaining on Country and connected with their families and communities. The panel also explored First Nations perspectives on the role and purpose of the APS
- a traditional smoking and welcome ceremony
- a weaving workshop.

## Reconciliation Action Plan 2021–2023

PM&C's Innovate Reconciliation Action Plan 2021–2023 (RAP) was due to end on 30 June 2023. A 12-month extension has been approved through Reconciliation Australia to enable the department to continue to progress and accomplish our commitments under this framework post COVID-19 and respond to anticipated changes to RAP guidelines issued by Reconciliation Australia in respect of delivering the Closing the Gap priorities.

PM&C remains committed to progressing the RAP and improving our cultural intelligence.

## Cultural uplift at PM&C

PM&C participates in the Jawun APS Secondment Program, which contributes to building the capacity of First Nations organisations. Our secondees bring their Jawun experience back to PM&C, positioning them to drive cultural change and grow capability. In 2022–23, PM&C supported 6 secondments placed in regions such as the Central Coast, West Kimberley, Central Australia and inner Sydney.

PM&C also supported an Executive Level 2 staff member to undertake an immersive 12-month secondment with the Coalition of Peaks – an organisation that works together with Indigenous communities and organisations and with the Australian Government on Closing the Gap.

All staff have access to cultural intelligence programs to increase their cultural competency: Ngunnawal language training, Pindara cultural competency and CORE Cultural Learning courses.

## Flexible work

PM&C continued to offer flexibility in how, when and where our people work, recognising that flexibility is critical to attracting and retaining a diverse and skilled workforce to deliver outcomes for the Government and the Australian community.

PM&C's Flexible Work Policy was refreshed in 2022–23 following updates to the National Employment Standards (*Fair Work Act 2009*) and to embed the new APS-wide Principles of Flexible Work.

We continued to start our flexible work conversations with 'How can we make this work?' and make genuine attempts to establish arrangements that are mutually beneficial for individuals and PM&C.

In the 2022 APS Employee Census, 75% of PM&C respondents had flexible work arrangements in place, and 88% felt confident that if they requested a flexible work arrangement their request would be given reasonable consideration.

Hybrid work, with a mix of people in the office and at home, presents new and different challenges. To set our teams up for success we offered training on leading and working in hybrid teams, through which our people learned ways to maintain trusted relationships, productivity and collaboration across the office and home.

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

## Workplace response to domestic and family violence policy

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

PM&C's Family and Domestic Violence Policy was updated this year in preparedness for important changes to the National Employment Standards (*Fair Work Act 2009*), including access to a minimum 10 days of paid family and domestic violence leave per year, which came into effect on 1 July 2023.

Our support is not limited to meeting minimum standards. PM&C seeks to provide maximum support relative and proportionate to individual circumstances and preferences. This may include additional leave (paid or unpaid); access to a dedicated family and domestic violence support service for employees and their immediate family members through Benestar, our Employee Assistance Program provider; and individual wellbeing check-ins from an organisational psychologist.

A workshop aimed at raising awareness of PM&C's corporate responsibility in addressing family and domestic violence was held in 2022–23, outlining initiatives that PM&C and individual managers can implement to make a difference.



## Recruitment

PM&C uses a range of recruitment channels to attract a diverse range of skilled people to deliver outcomes for the Australian Government and community. We seek to use fair and inclusive recruitment practices that are culturally safe, are free from discrimination and minimise bias.

In 2022–23, we released a new PM&C Secondment Policy and a PM&C Employment Register. The purpose of both is to enable the rapid mobilisation of people, both from within the APS and from the broader community, into PM&C to deliver critical priorities and solve complex cross-cutting issues for government. We also developed key workforce planning tools to enable managers to plan and address workforce planning risks locally.

Recruiting people who represent the diverse community we serve is important to PM&C. In 2023, we recruited 36 people from across Australia to the PM&C Graduate Program and 13 people through the following APS-wide entry-level programs:

- APS Indigenous Apprenticeship Program (Indigenous Australian Government Development Program at the time)
- APS Indigenous Graduate Pathway
- APS Digital Apprenticeship
- APS Centralised Specialist Graduate Streams – Digital; Data; Human Resources; Economist; ICT; and Science, Technology, Engineering and Mathematics (STEM)
- APS Career Starter Program, targeting school leavers.

PM&C also recruited 30 non-ongoing interns to gain work experience through the Domestic Policy Group Vacation Employment Program.

## Workplace arrangements

The terms and conditions of employment for non-SES employees are governed by the Department of the Prime Minister and Cabinet Enterprise Agreement 2021–24. At times, individual flexibility arrangements are made with non-SES employees where they meet the genuine needs of PM&C and the employee.

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

PM&C’s employment instruments are consistent with Commonwealth legislation. Their administration is supported by a range of internal employment policies which are routinely reviewed.

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

**Table 3.17: Australian Public Service Act employment arrangements current report Period (2022–23)**

	SES	Non-SES	Total
Enterprise Agreement	-	1,213	1,213*
Section 24(1) determination	104	-	104
Individual flexibility arrangement	-	28	28

\*Total employees under the Enterprise Agreement (1,213) is inclusive of 38 casual employees.

**Table 3.18: Australian Public Service Act employment salary ranges by classification level (minimum/maximum) current report period (2022–23)**

	Minimum salary	Maximum salary
SES 3	\$368,811	\$416,760
SES 2	\$276,513	\$306,628
SES 1	\$209,318	\$243,867
EL 2	\$132,252	\$166,689
EL 1	\$113,627	\$138,501
APS 6	\$88,419	\$108,846
APS 5	\$79,941	\$85,464
APS 4	\$72,403	\$77,432
APS 3	\$66,559	\$69,328
APS 2	\$59,601	\$63,512
APS 1	\$50,827	\$55,485
Other	-	-
<i>Minimum/Maximum range</i>	\$50,827	\$416,760

## Executive remuneration

Remuneration for SES employees was governed by the Australian Public Service Commission (APSC) Executive Remuneration Management Policy, the Public Sector Interim Workplace Arrangements 2022, PM&C’s SES Performance Framework and individual employment determinations.

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

SES employees received a general salary increase of 3% on 27 October 2022. Annual pay point movement for eligible SES employees occurred on 1 September 2022, linked to demonstrated performance outcomes.

Allowances paid to SES employees are specific to individual circumstances.

Remuneration for the Secretary and statutory office holders is determined by the Remuneration Tribunal. Reporting on remuneration for key management personnel (KMP) and senior executives in PM&C is governed by Part 6 of the *Commonwealth entities executive remuneration reporting guide for annual reports*.

Executive remuneration information is reported on an accrual basis in line with financial statements and differs from actual remuneration, which is prepared on a cash basis. Therefore, the Secretary's remuneration reported here differs from the amount disclosed under the Remuneration Tribunal Determination.

During the reporting period to 30 June 2023, PM&C had 16 individuals who met the definition of KMP. Their names, length of term as KMP and remuneration details are in Tables 3.19 and 3.20. In addition, aggregated remuneration information for 128 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**

<b>Name</b>	<b>Position</b>	<b>Date of commencement</b>	<b>Date of cessation</b>
DAVIS, Glyn	Secretary	1/07/2022	30/06/2023
DE BROUWER, Gordon	Secretary – Public Sector Reform	1/07/2022	10/05/2023
HEFREN-WEBB, Liz	Deputy Secretary	20/02/2023	30/06/2023
DEWAR, Scott	Deputy Secretary	1/07/2022	30/06/2023
WILLIAMS, Nadine	Deputy Secretary	20/02/2023	30/06/2023
WILLIAMSON, David	Deputy Secretary	7/11/2022	30/06/2023
BACON, Rachel	Deputy Secretary	24/08/2022	30/06/2023
CHISHOLM, James D	Deputy Secretary	30/08/2022	30/06/2023
HAZLEHURST, David	Deputy Secretary	6/03/2023	30/06/2023
FRAME, Alison J	Deputy Secretary	1/07/2022	22/01/2023
DUGGAN, Simon J	Deputy Secretary	1/07/2022	23/09/2022
FOSTER, Stephanie C	Deputy Secretary	1/07/2022	9/10/2022
KELLY, James	Deputy Secretary	2/08/2022	10/03/2023
GILMARTIN, Tomas N	Chief Operating Officer	1/07/2022	6/11/2022
CHAN, Michelle	Deputy Secretary	1/07/2022	8/08/2022
COOPER, Katrina	Deputy Secretary	18/08/2022	29/05/2023

**Table 3.20: Key management personnel summary remuneration for the reporting period (\$)**

Base salary	4,371,408
Bonuses	-
Other benefits & allowances	40,242
<b>Total short-term benefits</b>	<b>4,411,649</b>
Superannuation contribution	598,333
<b>Total post-employment benefits</b>	<b>598,333</b>
Long service leave	105,185
Other long-term benefits	-
<b>Total other long-term benefits</b>	<b>105,185</b>
Termination benefits	0
<b>Total Remuneration</b>	<b>5,115,168</b>

*Note: Figures have been rounded up.*

**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			
DAVIS, Glyn	Secretary	927,612	-	13,283	25,390	9,946	-	-	976,230	
DE BROUWER, Gordon	Secretary – Public Sector Reform	585,590	-	604	86,229	4,915	-	-	677,338	
HEFREN-WEBB, Liz	Deputy Secretary	155,221	-	237	27,215	2,932	-	-	185,605	
DEWAR, Scott	Deputy Secretary	380,080	-	701	67,351	26,563	-	-	474,695	
WILLIAMS, Nadine	Deputy Secretary	162,783	-	237	23,455	138	-	-	186,613	
WILLIAMSON, David	Deputy Secretary	329,531	-	440	53,191	6,692	-	-	389,854	
BACON, Rachel	Deputy Secretary	340,326	-	582	62,882	8,058	-	-	411,849	
CHISHOLM, James D	Deputy Secretary	313,035	-	386	46,711	15,925	-	-	376,058	
HAZLEHURST, David	Deputy Secretary	141,104	-	210	24,724	1,205	-	-	167,243	
FRAME, Alison J	Deputy Secretary	219,103	-	18,205	40,452	7,856	-	-	285,615	
DUGGAN, Simon J	Deputy Secretary	95,108	-	181	14,832	2,176	-	-	112,297	
FOSTER, Stephanie C	Deputy Secretary	108,725	-	208	18,725	2,749	-	-	130,407	
KELLY, James	Deputy Secretary	223,979	-	429	31,573	1,677	-	-	257,657	
GILMARTIN, Tomas N	Chief Operating Officer	130,345	-	-	19,744	1,940	-	-	152,029	
CHAN, Michelle	Deputy Secretary	6,737	-	-	5,697	427	-	-	12,861	
COOPER, Katrina	Deputy Secretary	252,128	-	4,539	50,162	11,987	-	-	318,816	
<b>Total</b>		<b>4,371,408</b>	<b>-</b>	<b>40,242</b>	<b>598,333</b>	<b>105,185</b>	<b>-</b>	<b>-</b>	<b>5,115,168</b>	

Note: Figures have been rounded up.

**Table 3.22: Information about remuneration for senior executives**

Band	Number of senior executives	Short-term benefits			Post-employment benefits		Other long-term employee benefits		Termination benefits	Total remuneration
		Average base salary	Average bonuses	Average other benefits and allowances	Average superannuation contribution	Average long service leave	Average other long-term benefits	Average termination benefits		
\$0-\$220,000	72	80,234	-	473	12,189	3,154	-	-	-	96,049
\$220,000-\$245,000	14	187,784	-	4,189	31,410	7,404	-	-	-	230,788
\$245,000-\$270,000	19	211,689	-	552	35,322	11,219	-	-	-	258,782
\$270,000-\$295,000	9	229,387	-	608	37,258	12,396	-	-	-	279,648
\$295,000-\$320,000	6	246,944	-	1,387	42,411	12,162	-	-	-	302,903
\$320,000-\$345,000	2	282,023	-	925	48,375	6,623	-	-	-	337,946
\$345,000-\$370,000	5	276,857	-	1,126	54,463	21,158	-	-	-	353,604
\$370,000-\$395,000	-	-	-	-	-	-	-	-	-	-
\$395,000-\$420,000	1	329,121	-	701	61,418	11,744	-	-	-	402,984
\$420,000-\$445,000	-	-	-	-	-	-	-	-	-	-
\$445,000-\$470,000	-	-	-	-	-	-	-	-	-	-
\$470,000-\$495,000	-	-	-	-	-	-	-	-	-	-
\$495,000-\$520,000	-	-	-	-	-	-	-	-	-	-
\$520,000-\$545,000	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>128</b>	<b>142,590</b>	<b>-</b>	<b>978</b>	<b>23,506</b>	<b>6,713</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>173,786</b>



## Information about remuneration for other highly paid staff

There were no other highly paid staff who met the disclosure threshold for reporting during the period.

## Performance pay

PM&C did not offer performance pay or bonuses to employees.

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

## Performance Management Framework

The PM&C Performance Management Framework supports us to engage and motivate our workforce to be high performing. We focus on both what we do and how we do it (behaviours and outcomes) and recognise our staff for contributions that go above and beyond their day-to-day work – for example contribution to our Employee Networks and workplace representative roles. This supports our employees to perform at their best and ensures we draw on people’s diverse and unique skills to contribute to a respectful, inclusive and safe culture at PM&C.

In 2022–23, we refreshed our performance agreement system and forms, launched a High Performance toolkit, updated the PM&C Probation Policy and provided training to enable employees and managers to understand and apply a strengths-based approach to performance and manage poor or unsatisfactory performance.

## Learning and development

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

In 2022–23, PM&C delivered a Corporate Training Calendar with learning offerings aligned to our critical skill needs. Courses covered topics such as economics, policy, advanced communication, inclusive leadership, performance, cultural intelligence, mental health awareness and wellbeing, and working more efficiently with the Microsoft suite.

PM&C also actively supported the APS Academy in its delivery of the APS Learning and Development Strategy, and our staff attended APS Academy courses.

In August 2022, PM&C launched a bespoke Management and Leadership Program for our Executive Level cohort. The program seeks to better equip leaders to manage challenges by strengthening integrity and purposeful leadership, in line with APS Reform priorities and with DRIVE, the new Secretaries' Charter of Leadership Behaviours.

The Management and Leadership Program includes a range of learning workshops, 360-degree feedback, peer learning groups, guest speakers and networking events to build capable and future-ready leaders.

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

PM&C employees at all levels engaged with executive coaching services, undertook formal studies to achieve accredited qualifications, e-learning via the Learning Management System (Acorn) and LinkedIn Learning, and annual mandatory training to ensure all staff are aware of their obligations and responsibilities as public servants. Our mandatory training underwent a significant review of content and learning outcomes and shifted to an annual roll-out, which improved compliance.

## Work health and safety

In 2022–23, PM&C continued its commitment to promoting and sustaining a robust safety and wellbeing culture – valuing physical and psychological health, safety and wellbeing and promoting inclusivity.

We maintained an active network of Health and Safety Representatives (members of the Health, Safety and Wellbeing Committee) and Workplace Respect Officers, and an SES Band 2 Wellbeing Champion.

We offered a range of preventive, early intervention and support services to staff to ensure they are equipped to perform at their best and reduce time away from work. This included access to the Employee Assistance Program for staff and their families, annual influenza vaccinations, heart and skin health checks, and wellbeing checks by an organisational psychologist.

Higher-risk work areas were provided targeted support and undertook risk assessments to identify mitigation strategies, with the aim of controlling and reducing potential risks to health and safety, both physical and psychological.

We delivered a range of health and wellbeing capability offerings to promote staff accountability for their own wellbeing, such as a webinar on resilience, adaptability and mental health delivered by Comcare during National Safe Work Month in October 2022. Other initiatives focused on increasing managers' capability in managing staff with mental health challenges, and strengthening mental health literacy.

The positive impact of these initiatives on staff is reflected in PM&C's wellbeing results in the 2022 APS Employee Census, in which 73% of staff responded positively to the statement 'I think my agency cares about my health and wellbeing' – an increase of 7 percentage points compared with 2021; while 72% agreed with the statement 'My agency does a good job of promoting health and wellbeing' – an increase of 3 percentage points from 2021. PM&C's combined wellbeing score was 6 percentage points higher than the overall APS score.

A key focus this year was strengthening our commitment to psychological safety by aligning our Work Health and Safety Management System with legislative reforms for managing psychosocial hazards and risks that came into effect on 1 April 2023, and readying ourselves for the implementation of Respect@Work legislative changes.

Initiatives undertaken to improve and support the integration of psychological safety included:

- completing the maturity scale assessment of PM&C's Mental Health Capability Framework
- commencing a trial of the ADDRESS psychosocial hazard identification and intervention tool in collaboration with the Mental Health and Suicide Prevention Unit of the APSC
- revising our WHS Leadership Commitment Statement
- commencing revision of the PM&C Officer Due Diligence Framework and due diligence training
- reviewing mandatory work health and safety training.

The impacts of the COVID-19 pandemic continued to be a workplace health and safety focus during 2022–23. Related initiatives included:

- implementing step 4 of the PM&C COVID Safe Plan, with staff returning to their usual place of work and flexible work arrangements for employees
- reviewing comprehensive risk assessments to assess the health and safety risks associated with COVID-19 variants and changing public health advice in all workplace settings
- continuing implementation of measures to support the physical and mental health of staff working remotely and in the office.

One notifiable dangerous incident was mandatorily notified to Comcare in 2022–23.

## Ethical standards

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

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

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

## Environmental performance

APS Net Zero 2030 is the Government's policy for the APS to reduce its greenhouse gas emissions to net zero by 2030, and transparently report on its emissions. As part of this, non-corporate and corporate Commonwealth entities are required to report on their operational greenhouse gas emissions.

The Greenhouse Gas Emissions Inventory presents greenhouse gas emissions over the 2022–23 period. Results are presented on the basis of carbon dioxide equivalent (CO<sub>2</sub>-e) emissions. Greenhouse gas emissions reporting has been developed with methodology that is consistent with the whole-of-government approach as part of the APS Net Zero 2030 policy. Further information related to the APS Net Zero 2030 policy can be found at:

<https://www.finance.gov.au/government/aps-net-zero-emissions-2030>.

**Table 3.23: Greenhouse gas emissions inventory**

Emission Source	Scope 1 kg CO <sub>2</sub> -e	Scope 2 kg CO <sub>2</sub> -e	Scope 3 kg CO <sub>2</sub> -e	Total kg CO <sub>2</sub> -e
Electricity (location based approach)	N/A	1,412,211	116,074	1,528,285
Natural gas	-	N/A	-	-
Fleet vehicles	5,802	N/A	1,457	7,259
Domestic flights	N/A	N/A	466,242	466,242
Other energy	-	N/A	-	-
<b>Total kg CO<sub>2</sub>-e</b>	<b>5,802</b>	<b>1,412,211</b>	<b>583,773</b>	<b>2,001,786</b>

The electricity emissions reported above are calculated using the location based approach. When applying the market based method, which accounts for activities such as Greenpower, purchased LGCs and/or being located in the ACT, the total emissions for electricity, are below.

Emission Source	Scope 1 kg CO <sub>2</sub> -e	Scope 2 kg CO <sub>2</sub> -e	Scope 3 kg CO <sub>2</sub> -e	Total kg CO <sub>2</sub> -e
Electricity (market based approach)	N/A	115,349	15,267	130,616
Natural gas	-	N/A	-	-
Fleet vehicles	5,802	N/A	1,457	7,259
Domestic flights	N/A	N/A	466,242	466,242
Other energy	-	N/A	-	-
<b>Total kg CO<sub>2</sub>-e</b>	<b>5,802</b>	<b>115,349</b>	<b>482,966</b>	<b>604,117</b>

CO<sub>2</sub>-e = carbon dioxide equivalent

Greenhouse gas emissions reporting has been developed with methodology that is consistent with the whole of Australian Government approach as part of the APS Net Zero 2030 policy. In 2022–23 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 5 stars for water at the Andrew Fisher Building (our Canberra office)
- using motion sensors in office work areas to reduce power usage when areas are not occupied
- operating as a ‘paper-light office’ by supporting the use of electronic document management and collaboration as well as digital and mobile technology solutions for staff
- using a 75,000-litre rainwater tank to flush toilets and water the gardens at the Andrew Fisher Building
- using Hydrowise – irrigation control technology that uses weather outlooks from the Bureau of Meteorology – to prevent our irrigation system operating in periods of predicted rainfall
- using the department’s 165 kW solar power system
- using LED lighting for the 2 basement car park levels in the Andrew Fisher Building to reduce energy consumption
- encouraging recycling by providing recycling and organic bins, battery recycling and coffee cup recycling, as well as waste bins
- supporting the collection of organic waste for composting on the local worm farm
- supporting the café in the Andrew Fisher Building to send cooking oil for recycling for use in biodiesel manufacture and as biodiesel feedstock
- using drought-tolerant plants in gardens at the Andrew Fisher Building
- using energy saver mode for most office equipment when not in use.

# Financial management

The department's 2022–23 financial statements are presented on pages 125–171 of this report. The Auditor-General issued an unmodified audit opinion of these statements, noting that PM&C had appropriate and effective financial controls in place.

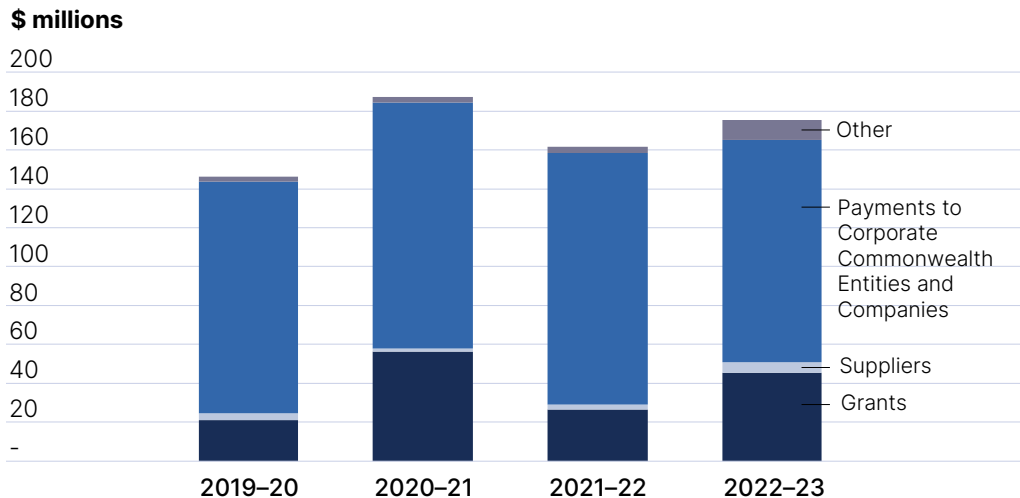
## Activities administered on behalf of the Government

In 2022–23, PM&C administered one program on behalf of the Government. Administered expenses totalled \$168.7 million and comprises primarily payments to corporate Commonwealth entities and companies (\$114.3 million, 67.7% of the total), and grant payments (\$45.3 million, 26.8% of the total).

Administered expenditure included:

- \$114.3 million paid to corporate Commonwealth entities and companies including various land councils and the Indigenous Land Corporation
- \$45.3 million on grants of which \$21.4 million was paid to the National Australia Day Council and \$20.8 million to the Office for Women
- \$5.6 million for supplier expenses.

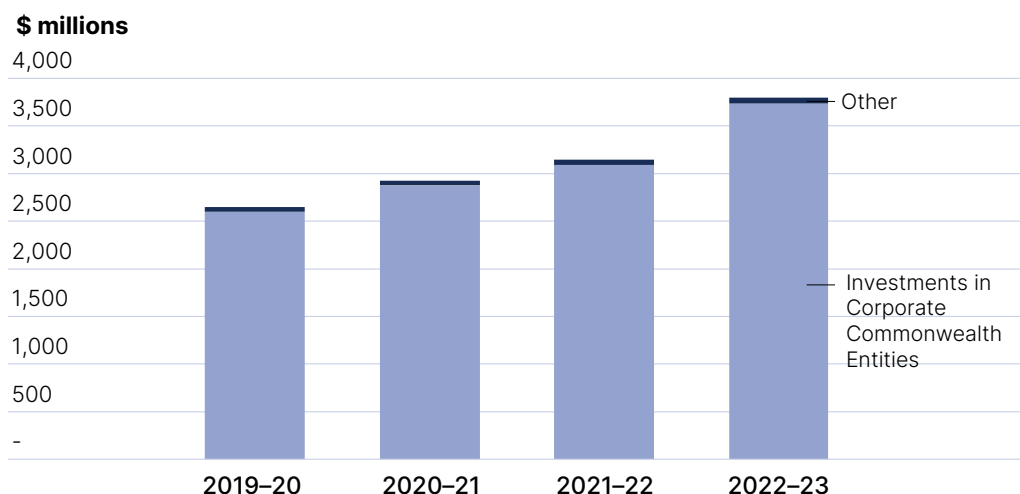
**Graph 3.1: Breakdown of administered expenditure**





As at 30 June 2023, PM&C's administered assets totalled \$3,798.4 million.

**Graph 3.2: Breakdown of administered assets**



As at 30 June 2023, PM&C administered liabilities totalled \$16.3 million. This figure included the provision for future non-cash benefits to be provided to former Governors-General.

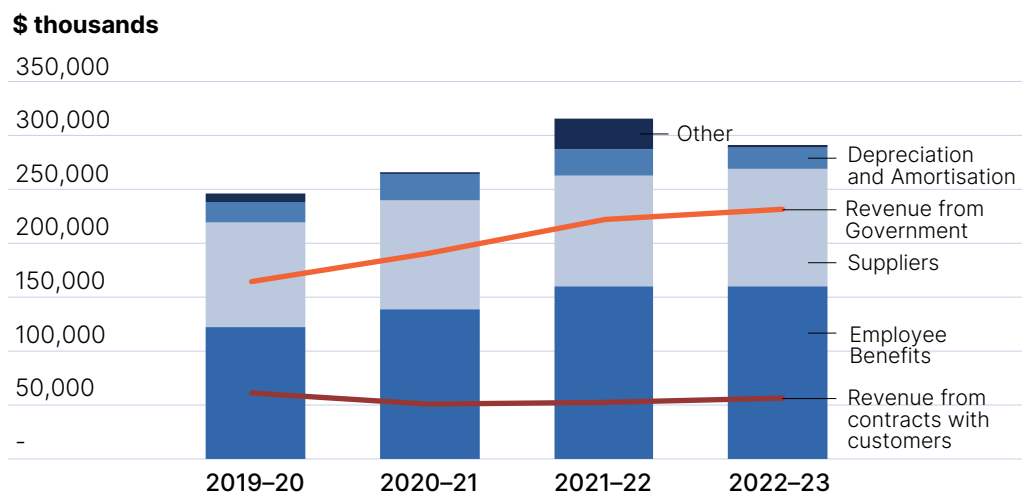
## Departmental activities

The department reported an operating surplus of \$2.2 million. After adjusting for unfunded depreciation and amortisation as well as accounting for AASB 16 Leases, PM&C recorded an operating surplus of \$14.1 million.

This operating surplus is primarily due to unspent funds for the Quad Summit that was to be held in May 2023. These funds are expected to be returned to the consolidated revenue fund.

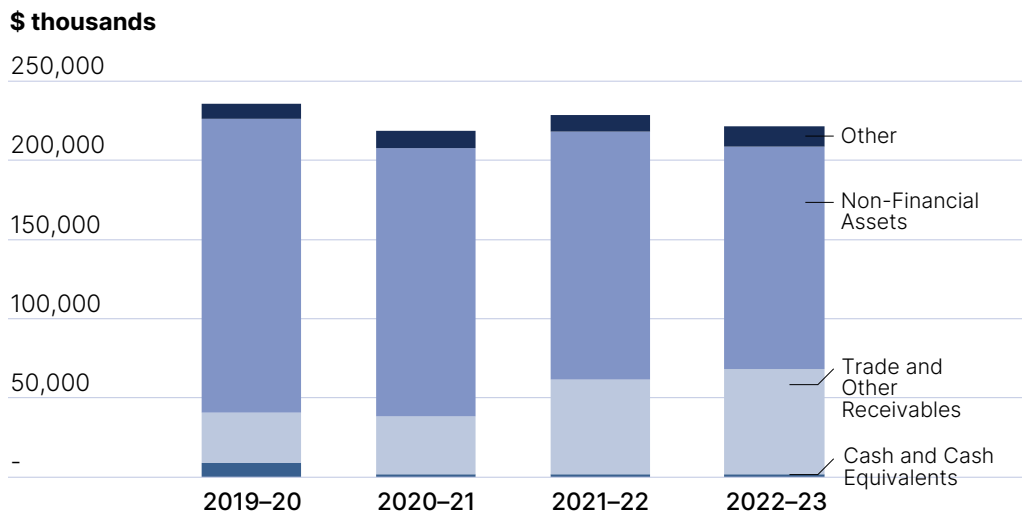
In 2022-23, departmental expenses totalled \$293.0 million. Departmental revenue totalled \$61.2 million comprising income from contracts with customers and resources received free of charge. Revenue from the Government was \$232.8 million.

**Graph 3.3: Breakdown of expenses and revenue**



As at 30 June 2023, PM&C had a positive net asset position of \$57.3 million. Assets totalled \$221.4 million and liabilities totalled \$164.1 million as at 30 June 2023.

**Graph 3.4: Breakdown of assets**



**Table 3.24: Resourcing statement**

	Actual available appropriation for 2022–23	Payment made 2022–23	Remaining balance 2022–23
	\$'000 (a)	\$'000 (b)	\$'000 (a)–(b)
Departmental appropriation <sup>1 2</sup>	359,697	292,057	67,640
<b>Total</b>	<b>359,697</b>	<b>292,057</b>	<b>67,640</b>
<b>Administered expenses <sup>3</sup></b>			
Prior year administered appropriation			
Outcome 1: Prime Minister and Cabinet	72,231	56,042	
Payments to corporate Commonwealth entities and companies <sup>4</sup>	114,273	114,273	
<b>Total</b>	<b>186,504</b>	<b>170,315</b>	
<b>Total ordinary annual services</b>	<b>A</b>	<b>546,202</b>	<b>462,372</b>
<b>Administered non-operating</b>			
<b>Administered assets and liabilities</b>			
Payments to corporate Commonwealth entities and companies non-operating	41,674	41,674	
<b>Total</b>	<b>41,674</b>	<b>41,674</b>	
<b>Total other services</b>	<b>B</b>	<b>41,674</b>	<b>41,674</b>
<b>Total available annual appropriations and payments</b>	<b>A+B</b>	<b>587,876</b>	<b>504,046</b>
<b>Total special appropriations</b>	<b>C</b>		
<b>Total special accounts <sup>5</sup></b>	<b>D</b>		
<b>Total resourcing and payments</b>			
A+B+C+D	587,876	504,046	
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or corporate Commonwealth entities and companies through annual appropriations	-	-	
<b>Total net resourcing and payments for PM&amp;C</b>	<b>587,876</b>	<b>504,046</b>	

1 *Appropriation Act (No. 1) 2022–23 and Appropriation Act (No. 3) 2022–23*. This may also include prior-year departmental appropriation, section 74 retained receipts, permanent quarantine and section 75. For further details refer to Note 5.1 to the financial statements.

2 Includes an amount of \$13.075 million in 2022–23 for the departmental capital budget. For accounting purposes, this amount was designated as ‘contributions by owners’.

3 Includes an amount of \$1.674 million in 2022–23 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 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 assistant ministers, including through the coordination of government activities, policy development, and program delivery.

**Table 3.25: Expenses by Outcome 1**

	Budget* 2022–23	Actual expenses 2022–23	Variation 2022–23
	\$'000 (a)	\$'000 (b)	\$'000 (a)–(b)
<b>Program 1.1: Prime Minister and Cabinet</b>			
Administered expenses			
Ordinary annual services (Appropriation Acts Nos 1, 3 and 5)	165,636	168,345	(2,709)
Special appropriations	10	-	10
Special accounts	-	-	-
Expenses not requiring appropriation in the Budget year <sup>2</sup>	352	383	(31)
Departmental expenses			
Departmental appropriation <sup>1</sup>	269,016	280,748	(11,732)
Expenses not requiring appropriation in the Budget year <sup>2</sup>	9,768	12,284	(2,516)
<b>Total for Program 1.1</b>	<b>444,782</b>	<b>461,760</b>	<b>(16,978)</b>
<b>Outcome 1: Total by appropriation type</b>			
Administered expenses			
Ordinary annual services (Appropriation Acts Nos 1, 3 and 5)	165,636	168,345	(2,709)
Special appropriations	10	-	10
Special accounts	-	-	-
Expenses not requiring appropriation in the Budget year <sup>2</sup>	352	383	(31)
Departmental expenses			
Departmental appropriation <sup>1</sup>	269,016	280,748	(11,732)
Expenses not requiring appropriation in the Budget year <sup>2</sup>	9,768	12,284	(2,516)
<b>Total expenses for Outcome 1</b>	<b>444,782</b>	<b>461,760</b>	<b>(16,978)</b>
	<b>2022–23 Budget</b>	<b>2022–23 Actuals</b>	<b>Variation</b>
Average staffing level (number)	1,182	1,113	69

\* Full year budget, including any subsequent adjustment made.

1 Departmental appropriation combines ordinary annual services (Appropriation Acts Nos 1 and 3) and retained 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 resources provided free of charge.

## Non-compliance with finance law

In 2022–23, 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, was undertaken in accordance with the PGPA Act and the principles of the Commonwealth Procurement Rules (CPRs).

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

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

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

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

## Reportable consultancy contracts

During 2022–23, 15 new reportable consultancy contracts were entered into involving total actual expenditure of \$2,385,889 (inclusive of GST). In addition, 10 ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$642,347 (inclusive of GST).

The department engages consultants when specialist expertise or independent research, review and assessment that assists with agency decision-making is required. Decisions to engage consultants are made in accordance with the PGPA Act and related rules, including the CPRs and relevant internal policies.

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

**Table 3.26: Expenditure on reportable consultancy contracts current reporting period (2022–23)**

	Number	Expenditure \$ (GST inc.)
New contracts entered into during the reporting period	15	2,385,889
Ongoing contracts entered into during a previous reporting period	10	642,347
<b>Total</b>	<b>25</b>	<b>3,028,237</b>

**Table 3.27: Organisations receiving a share of reportable consultancy contract expenditure current reporting period (2022–23)**

Name of organisation	Organisation ABN	Expenditure \$ (GST inc.)
Ernst & Young	75288172749	735,449
Deloitte Touche Tohmatsu	74490121060	460,586
Organisation for Economic Co-operation and Development	Exempt	450,000
Proximity Advisory Services Pty Ltd	92147937844	378,593
Taylor Fry Pty Ltd	29087047809	363,500

## Reportable non-consultancy contracts

During 2022–23, 364 new reportable non-consultancy contracts were entered into with total actual expenditure of \$37,683,862 (inclusive of GST). In addition, 427 ongoing reportable non-consultancy contracts were active during the period, with total actual expenditure of \$72,873,035 (inclusive of GST).

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

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

**Table 3.28: Reportable non-consultancy contract expenditure current reporting period (2022–23)**

	Number	Expenditure \$ (GST inc.)
New contracts entered into during the reporting period	364	37,683,862
Ongoing contracts entered into during a previous reporting period	427	72,873,035
<b>Total</b>	<b>791</b>	<b>110,556,897</b>

**Table 3.29: Organisations receiving a share of reportable non-consultancy contract expenditure current reporting period (2022–23)**

Name of organisation	Organisation ABN	Expenditure \$ (GST inc.)
ISPT Pty Ltd	15421756611	11,402,784
DATA#3 LTD	31010545267	4,859,012
AcronymIT Pty Limited	68096077422	4,747,449
Jones Lang Lasalle	69008585260	4,250,527
HP PPS Australia Pty Ltd	16603480628	3,806,063

## Australian National Audit Office access

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

**Table 3.30: Contracts without standard Auditor-General access, 2022–23**

Name of contractor	Purpose	Total contract value \$ (GST inclusive)	Reason for not including access clauses
Australian National University	Education and training services	225,000	Contract negotiations
Organisation for Economic Co-operation and Development	Strategic advice and review services	450,000	International organisation
Bloomberg Australia Pty Ltd	Telecommunications media services	185,000	Standard industry practice to enter into supplier terms and conditions
EBSCO International Inc	Information services	165,000	Standard industry practice to enter into supplier terms and conditions
Lilyvale Hotel Pty Ltd	Events management	188,977	Standard industry practice to enter into supplier terms and conditions
Servicenow Australia Pty Ltd	Software maintenance and support	1,465,780	Standard industry practice to enter into supplier terms and conditions

## Procurement initiatives to support small business

The department supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance’s website ([www.finance.gov.au](http://www.finance.gov.au)).



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

The department remains committed to ensuring SMEs could engage in fair competition and demonstrate this through procurement practices, including use of templates from 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 Department of the Treasury’s website ([www.treasury.gov.au](http://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 2022–23. 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 \$15,200 or more (inclusive of GST) for non-campaign advertising and market research are set out in Table 3.31.

**Table 3.31: Advertising and market research**

Organisation	Purpose	Expenditure \$
The Australian Centre for Social Innovation	Research services inclusive of stakeholder surveys and interviews for consideration as part of the National Disability Insurance Scheme (NDIS) Review	408,000
Australian Federation of Disability Organisations (AFDO) Ltd	Research services inclusive of stakeholder consultations for consideration as part of the National Disability Insurance Scheme (NDIS) Review	113,344

**Table 3.31: Continued**

Organisation	Purpose	Expenditure \$
Mediabrand Australia Pty Ltd	Recruitment platforms to support the 2024 Graduate Program	109,496
Hall & Partners Pty Ltd	Research services to inform APS Reform agenda engagement activities	49,830
Mediabrand Australia Pty Ltd	Public Notice for the National Memorial Service for Her Majesty The Queen	27,756

## Grant programs

Information on grants awarded by PM&C during the period 1 July 2022 to 30 June 2023 is available at [www.grants.gov.au](http://www.grants.gov.au).

## Disability reporting

Australia’s Disability Strategy 2021–2031 is the overarching framework for inclusive policies, programs and infrastructure that will support people with disability to participate in all areas of Australian life. The strategy sets out where practical changes will be made to improve the lives of people with disability in Australia. It acts to ensure the principles underpinning the United Nations Convention on the Rights of Persons with Disabilities are incorporated into Australia’s policies and programs that affect people with disability, their families and carers. All levels of government have committed to deliver more comprehensive and visible reporting under the strategy. A range of reports on progress of the strategy’s actions and outcome areas will be published and available at [www.disabilitygateway.gov.au/ads](http://www.disabilitygateway.gov.au/ads).

Disability reporting is included in the APSC State of the Service reports and the APS Statistical Bulletin. These reports are available at [www.apsc.gov.au](http://www.apsc.gov.au).





# Part four: 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 2023:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2023 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 2023 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 Forming Part of 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 the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Accountable Authority's responsibility for the financial statements

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

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

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

#### **Key audit matters**

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

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

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

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

Australian National Audit Office



Peter Kerr  
Executive Director  
Delegate of the Auditor-General

Canberra  
13 September 2023

**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 2023 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

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



Professor Glyn Davis AC  
Secretary

12 September 2023



Karyn Cooper  
Chief Financial Officer

12 September 2023



**DEPARTMENT OF THE PRIME MINISTER AND CABINET**  
**STATEMENT OF COMPREHENSIVE INCOME**  
*for the period ended 30 June 2023*

	Notes	2023 \$'000	2022 \$'000	Original budget <sup>1</sup> \$'000
<b>NET COST OF SERVICES</b>				
<b>Expenses</b>				
Employee benefits	1.1A	161,191	160,981	148,504
Suppliers	1.1B	109,235	103,618	109,458
Grants	1.1C	549	26,764	-
Depreciation and amortisation	3.2	20,413	24,380	19,722
Finance costs	1.1D	1,286	1,386	1,286
Impairment loss on financial instruments		335	-	-
Write-down and impairment of other assets	3.2	23	216	-
<b>Total expenses</b>		<b>293,032</b>	<b>317,345</b>	<b>278,970</b>
<b>Own-source income</b>				
<b>Own-source revenue</b>				
Revenue from contracts with customers	1.2A	56,613	53,059	36,253
Resources received free of charge	1.2B	4,553	2,972	-
<b>Total own-source revenue</b>		<b>61,166</b>	<b>56,031</b>	<b>36,253</b>
<b>Gains</b>				
Other gains		-	1	-
<b>Total gains</b>		<b>-</b>	<b>1</b>	<b>-</b>
<b>Total own-source income</b>		<b>61,166</b>	<b>56,032</b>	<b>36,253</b>
<b>Net cost of services</b>		<b>231,866</b>	<b>261,313</b>	<b>242,717</b>
Revenue from Government – departmental appropriations		232,763	223,247	232,763
<b>Surplus / (Deficit)</b>		<b>897</b>	<b>(38,066)</b>	<b>(9,954)</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items not subject to subsequent reclassification to net cost of services</b>				
Changes in asset revaluation surplus		1,266	185	-
<b>Total comprehensive profit / (loss)</b>		<b>2,163</b>	<b>(37,881)</b>	<b>(9,954)</b>

<sup>1</sup> For budget commentary, refer to page 134.

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

**DEPARTMENT OF THE PRIME MINISTER AND CABINET**  
**STATEMENT OF FINANCIAL POSITION**  
*as at 30 June 2023*

	Notes	2023 \$'000	2022 \$'000	Original budget <sup>1</sup> \$'000
<b>ASSETS</b>				
<b>Financial assets</b>				
Cash and cash equivalents		1,934	1,862	1,862
Trade and other receivables	3.1	66,463	59,664	49,887
Accrued revenue		5,682	3,229	4,294
<b>Total financial assets</b>		<b>74,079</b>	<b>64,755</b>	<b>56,043</b>
<b>Non-financial assets</b>				
Property, plant and equipment <sup>2</sup>	3.2	133,405	146,802	135,897
Intangibles	3.2	6,962	10,043	15,217
Prepayments		6,929	7,060	7,060
<b>Total non-financial assets</b>		<b>147,296</b>	<b>163,905</b>	<b>158,174</b>
<b>Total assets</b>		<b>221,375</b>	<b>228,660</b>	<b>214,217</b>
<b>LIABILITIES</b>				
<b>Payables</b>				
Trade creditors and accruals	3.3A	11,118	11,153	11,018
Other payables	3.3B	9,737	7,927	3,972
<b>Total payables</b>		<b>20,855</b>	<b>19,080</b>	<b>14,990</b>
<b>Interest bearing liabilities</b>				
Leases	3.4	97,494	105,953	96,187
<b>Total interest bearing liabilities</b>		<b>97,494</b>	<b>105,953</b>	<b>96,187</b>
<b>Provisions</b>				
Employee provisions	6.1A	45,478	47,500	45,474
Make good provisions		293	275	275
<b>Total provisions</b>		<b>45,771</b>	<b>47,775</b>	<b>45,749</b>
<b>Total liabilities</b>		<b>164,120</b>	<b>172,808</b>	<b>156,926</b>
<b>Net assets</b>		<b>57,255</b>	<b>55,852</b>	<b>57,291</b>
<b>EQUITY</b>				
Contributed equity		215,263	216,515	227,906
Accumulated (deficit)		(163,354)	(164,743)	(174,696)
Reserves		5,346	4,080	4,081
<b>Total equity</b>		<b>57,255</b>	<b>55,852</b>	<b>57,291</b>

<sup>1</sup> For budget commentary, refer to page 134.

<sup>2</sup> 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 2023*

	2023 \$'000	2022 \$'000	Original budget <sup>1</sup> \$'000
<b>CONTRIBUTED EQUITY</b>			
<b>Opening balance</b>			
Balance carried forward from previous period	216,515	173,863	216,514
<b>Transactions with owners</b>			
<b>Distributions to owners</b>			
Return of capital:			
Restructuring <sup>2</sup>	(12,054)	-	(6,861)
Repealed appropriation	-	(139)	-
<b>Contributions by owners</b>			
Appropriation (equity injection) <sup>3</sup>	-	29,200	-
Departmental Capital Budget	10,802	13,591	18,253
<b>Total transactions with owners</b>	<b>(1,252)</b>	<b>42,652</b>	<b>11,392</b>
<b>Closing balance as at 30 June</b>	<b>215,263</b>	<b>216,515</b>	<b>227,906</b>
<b>ACCUMULATED DEFICIT</b>			
<b>Opening balance</b>			
Balance carried forward from previous period	(164,743)	(126,677)	(164,742)
Other <sup>4</sup>	492	-	-
<b>Adjusted opening balance</b>	<b>(164,251)</b>	<b>(126,677)</b>	<b>(164,742)</b>
<b>Comprehensive income</b>			
Surplus / (Deficit) for the period	897	(38,066)	(9,954)
<b>Total comprehensive income</b>	<b>897</b>	<b>(38,066)</b>	<b>(9,954)</b>
<b>Closing balance as at 30 June</b>	<b>(163,354)</b>	<b>(164,743)</b>	<b>(174,696)</b>

<sup>1</sup> For budget commentary, refer to page 134.

<sup>2</sup> On 23 June 2022, the Governor-General signed the Administrative Arrangements Order (AAO), which took effect from 1 July 2022. There were several restructures that impacted the department. Amount includes s51 permanent quarantined amount (\$5.193m) and net assets relinquished (\$6.861m), refer to Note 8.2 Restructuring.

<sup>3</sup> In the 2021-22 period, the Minister for Finance approved the unquarantining of prior year appropriation (2019-20) for fund grants for the National Australia Day Council (\$26.700m) and Sydney Energy Forum (\$2.500m).

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

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

**DEPARTMENT OF THE PRIME MINISTER AND CABINET**  
**STATEMENT OF CHANGES IN EQUITY**  
*for the period ended 30 June 2023*

	2023 \$'000	2022 \$'000	Original budget <sup>1</sup> \$'000
<b>ASSET REVALUATION RESERVE</b>			
<b>Opening balance</b>			
Balance carried forward from previous period	4,080	3,895	4,081
<b>Comprehensive income</b>			
Other comprehensive income	1,266	185	-
<b>Closing balance as at 30 June</b>	<b>5,346</b>	<b>4,080</b>	<b>4,081</b>
<b>TOTAL EQUITY</b>			
<b>Opening balance</b>			
Balance carried forward from previous period	55,852	51,081	55,853
Other <sup>2</sup>	492	-	-
<b>Adjusted opening balance</b>	<b>56,344</b>	<b>51,081</b>	<b>55,853</b>
<b>Comprehensive income</b>			
Other comprehensive income	1,266	185	-
Surplus / (Deficit) for the period	897	(38,066)	(9,954)
<b>Total comprehensive income</b>	<b>2,163</b>	<b>(37,881)</b>	<b>(9,954)</b>
<b>Transactions with owners</b>			
<b>Distributions to owners</b>			
Return of capital:			
Restructuring <sup>3</sup>	(12,054)	-	(6,861)
Repealed appropriation	-	(139)	-
<b>Contributions by owners</b>			
Appropriation (equity injection) <sup>4</sup>	-	29,200	-
Departmental Capital Budget	10,802	13,591	18,253
<b>Total transactions with owners</b>	<b>(1,252)</b>	<b>42,652</b>	<b>11,392</b>
<b>Closing balance as at 30 June</b>	<b>57,255</b>	<b>55,852</b>	<b>57,291</b>

<sup>1</sup> For budget commentary, refer to page 134.

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

<sup>3</sup> On 23 June 2022, the Governor-General signed the Administrative Arrangement Order (AAO), which took effect from 1 July 2022. There were several restructures that impacted the department. Amount includes s51 permanent quarantined amount (\$5.193m) and net assets relinquished (\$6.861m), refer to Note 8.2 Restructuring.

<sup>4</sup> In the 2021-22 period, the Minister for Finance approved the unquarantining of prior year appropriation (2019-20) to fund grants for the National Australia Day Council (\$26.700m) and Sydney Energy Forum (\$2.500m).

**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 2023*

	2023	2022	Original budget <sup>1</sup>
	\$'000	\$'000	\$'000
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Sale of goods and rendering of services	53,738	54,515	36,253
GST received (net)	11,613	11,679	-
Appropriations	270,726	260,708	244,995
<b>Total cash received</b>	<b>336,077</b>	<b>326,902</b>	<b>281,248</b>
<b>Cash used</b>			
Employees	157,014	154,272	151,388
Suppliers	115,024	109,084	109,594
Grants	549	26,764	-
Retained receipts transferred to Official Public Account	53,528	54,306	9,212
Interest payments on lease liabilities	1,286	1,386	1,286
<b>Total cash used</b>	<b>327,401</b>	<b>345,812</b>	<b>271,480</b>
<b>Net cash from / (used by) operating activities</b>	<b>8,676</b>	<b>(18,910)</b>	<b>9,768</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash used</b>			
Purchase of property, plant and equipment	3,880	5,872	18,253
Purchase of intangibles	2,555	4,278	-
<b>Total cash used</b>	<b>6,435</b>	<b>10,150</b>	<b>18,253</b>
<b>Net cash (used by) investing activities</b>	<b>(6,435)</b>	<b>(10,150)</b>	<b>(18,253)</b>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Contributed equity			
Equity injections	-	29,200	-
Departmental Capital Budget	6,318	8,041	18,253
<b>Total cash received</b>	<b>6,318</b>	<b>37,241</b>	<b>18,253</b>
<b>Cash used</b>			
Principal payments of lease liabilities	8,487	8,222	9,768
<b>Total cash used</b>	<b>8,487</b>	<b>8,222</b>	<b>9,768</b>
<b>Net cash (used by) / from financing activities</b>	<b>(2,169)</b>	<b>29,019</b>	<b>8,485</b>
<b>Net increase / (decrease) in cash held</b>	<b>72</b>	<b>(41)</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	1,862	1,903	1,862
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>1,934</b>	<b>1,862</b>	<b>1,862</b>

<sup>1</sup> For budget commentary, refer to page 134.

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

**DEPARTMENT OF THE PRIME MINISTER AND CABINET  
BUDGET COMMENTARY  
for the period ended 30 June 2023**

**Departmental budget variance**

The below table provides commentary for significant variances between PM&C's original budget estimates, as published in the 2022-23 Portfolio Budget Statements, and the actual expenditure and net asset position for the year.

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

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

**Explanation of major variances**

**Affected line items and statement**

**Employee benefits:** The department led the delivery and implementation of multiple complex and high priority government commitments, including Net Zero Economy Taskforce and the APS Reform Office, which resulted in employees being engaged at higher rates than budgeted.

Employee benefits – Statement of Comprehensive Income  
Employee provision and Other payables – Statement of Financial Position  
Employees – Cash Flow Statement

**Suppliers expense:** The ongoing requirement for taskforces, which are not budgeted, contributed to suppliers expenses and own source revenue (for seconded employees from other government entities) varying from budget.

The department implemented measures such as NDIS taskforce, Integrity Taskforce and support for Quad Leader's Summit.

The cancellation of the Quad Leader Summit resulted in a decrease in suppliers expense and an increase in receivables compared to budget.

Suppliers expense – Statement of Comprehensive Income  
Resources received free of charge – Statement of Comprehensive Income  
Trade and other receivables – Statement of Financial Position  
Trade creditors and accruals – Statement of Financial Position  
Appropriations – Cash Flow Statement

**Grants:** In 2021-22, additional funding was received following the original budget for the National Australia Day Council. Funding was received through the unquarantining of prior year appropriations.

Grants – Statement of Comprehensive Income  
Grants – Cash Flow Statement  
Equity injection – Cash Flow Statement

**Non-financial assets:** Lower capitalised projects and lower new assets in 2022-23.

Property, plant and equipment and Intangibles – Statement of Financial Position  
Property, plant and equipment and Intangibles – Cash Flow Statement  
Departmental capital budget – Cash Flow Statement

**Revenue from contracts with customers:** Revenue for NIAA and DoF direct services relating to information and communications technology projects contributed to an increase in revenue that was higher than budgeted.

Section 74 revenue was not reflected correctly in the budgeted cash flow statements.

Revenue from contracts with customers – Statement of Comprehensive Income  
Accrued revenue – Statement of Financial Position  
Sales of goods and rendering – Cash Flow Statement  
Retained receipts transferred to OPA – Cash Flow Statement

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 2023*

	Notes	2023 \$'000	2022 \$'000	Original budget <sup>1</sup> \$'000
<b>NET COST OF SERVICES</b>				
<b>Expenses</b>				
Employee benefits	2.1A	2,408	1,732	1,728
Suppliers	2.1B	5,574	2,684	2,418
Grants	2.1C	45,245	26,452	48,625
Depreciation	4.2	743	1,043	649
Finance costs	2.1D	485	201	189
Write-down and impairment of other assets	4.2	-	63	-
Payments to corporate Commonwealth entities and companies	2.1E	114,273	129,356	112,389
<b>Total expenses</b>		<b>168,728</b>	<b>161,531</b>	<b>165,998</b>
<b>Income</b>				
<b>Revenue</b>				
<b>Non-taxation revenue</b>				
Other revenue	2.2A	1,342	58	-
<b>Total non-taxation revenue</b>		<b>1,342</b>	<b>58</b>	<b>-</b>
<b>Total revenue</b>		<b>1,342</b>	<b>58</b>	<b>-</b>
<b>Gains</b>				
Other gains		-	27	-
<b>Total gains</b>		<b>-</b>	<b>27</b>	<b>-</b>
<b>Total income</b>		<b>1,342</b>	<b>85</b>	<b>-</b>
<b>Net cost of services</b>		<b>167,386</b>	<b>161,446</b>	<b>165,998</b>
<b>(Deficit)</b>		<b>(167,386)</b>	<b>(161,446)</b>	<b>(165,998)</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items not subject to subsequent reclassification to net cost of services</b>				
Changes in asset revaluation reserve		725,596	139,597	-
<b>Items subject to subsequent reclassification to net cost of services</b>				
Actuarial gain / (loss) – former Governors-General entitlements	6.1C	(1,312)	1,103	-
<b>Total other comprehensive (loss) / income</b>		<b>724,284</b>	<b>140,700</b>	<b>-</b>
<b>Total comprehensive (loss)</b>		<b>556,898</b>	<b>(20,746)</b>	<b>-</b>

<sup>1</sup> For budget commentary, refer to page 137.

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 2023**

	Notes	2023 \$'000	2022 \$'000	Original budget <sup>1</sup> \$'000
<b>ASSETS</b>				
<b>Financial assets</b>				
Cash		-	-	-
Trade and other receivables		309	94	94
Investments in corporate Commonwealth entities	4.1	<u>3,737,443</u>	<u>3,087,497</u>	<u>3,012,013</u>
<b>Total financial assets</b>		<u>3,737,752</u>	<u>3,087,591</u>	<u>3,012,107</u>
<b>Non-financial assets</b>				
Property, plant and equipment <sup>2</sup>	4.2	<u>60,568</u>	<u>59,551</u>	<u>63,474</u>
Prepayments		<u>49</u>	<u>51</u>	<u>51</u>
<b>Total non-financial assets</b>		<u>60,617</u>	<u>59,602</u>	<u>63,525</u>
<b>Total assets administered on behalf of Government</b>		<u>3,798,369</u>	<u>3,147,193</u>	<u>3,075,632</u>
<b>LIABILITIES</b>				
<b>Payables</b>				
Trade creditors and accruals		611	315	315
Other payables		<u>75</u>	<u>56</u>	<u>56</u>
<b>Total payables</b>		<u>686</u>	<u>371</u>	<u>371</u>
<b>Interest bearing liabilities</b>				
Leases	4.3	<u>536</u>	<u>599</u>	<u>302</u>
<b>Total interest bearing liabilities</b>		<u>536</u>	<u>599</u>	<u>302</u>
<b>Provisions</b>				
Employee provisions	6.1B	698	681	681
Non-cash benefits - former Governors-General	6.1C	13,946	13,400	12,753
Make good provisions		<u>385</u>	<u>373</u>	-
<b>Total provisions</b>		<u>15,029</u>	<u>14,454</u>	<u>13,434</u>
<b>Total liabilities administered on behalf of Government</b>		<u>16,251</u>	<u>15,424</u>	<u>14,107</u>
<b>Net assets</b>		<u>3,782,118</u>	<u>3,131,769</u>	<u>3,061,525</u>

<sup>1</sup> For budget commentary, refer to page 137.

<sup>2</sup> 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 2023**

**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 2022-23 Portfolio Budget Statements, and the actual expenditure and net asset position for the year.

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

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

**Explanation of major variances**

**Affected line items and statement**

**Employee benefits:** The expense is higher than budgeted due to an increase in the Prime Minister's international engagement resulting in additional staff expense.

Suppliers expense – Administered Schedule of Comprehensive Income  
Employee provisions – Administered Schedule of Assets and Liabilities  
Employees – Administered Schedule of Cash Flows

**Supplier and grants expense:** Majority of the increase is due to international engagement by the Prime Minister which is higher than budgeted.

This was budgeted against grants however expensed against supplier.

Suppliers and grants expense – Administered Schedule of Comprehensive Income  
Trade and other receivables and Trade creditors and accruals – Administered Schedule of Assets and Liabilities  
Suppliers and grant payments – Administered Schedule of Cash Flows

**Former Governor General:** Majority of the increase in the provision is due to increase in average cost assumptions, higher discount rate from 3.57% to 4.02% and a reduction in the assumed rate by which expenditure slows down beyond age 90 years compared to budget.

The actuarial gain was not budgeted in the administered schedule of comprehensive income.

Finance costs – Administered Schedule of Comprehensive Income  
Actuarial gain – former Governor's General entitlements – Administered Schedule of Comprehensive Income  
Non-cash benefits – former Governors-General – Administered Schedule of Assets and Liabilities

**Changes in asset revaluation reserve:** Movement in net asset balance in investment in corporate Commonwealth entities and companies which was not budgeted.

Majority of the balance relates to Northern Territory Aboriginal Investment Corporation which is a new corporate Commonwealth entity established in 2022-23.

Changes in asset revaluation reserve – Administered Schedule 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 2023**

	<b>2023</b>	2022
	<b>\$'000</b>	\$'000
<b>Opening assets less liabilities as at 1 July</b>	<b>3,131,769</b>	2,908,658
<b>Net cost of services</b>		
Income	<b>1,342</b>	85
Expenses		
Payments to entities other than corporate Commonwealth entities and companies	<b>(54,455)</b>	(32,175)
Payments to corporate Commonwealth entities and companies	<b>(114,273)</b>	(129,356)
<b>Other comprehensive income</b>		
Revaluations transferred to reserves	<b>725,596</b>	139,597
Actuarial gain/(loss) through equity	<b>(1,312)</b>	1,103
<b>Transfers (to)/from the Australian Government</b>		
Appropriation transfers from Official Public Account		
Annual appropriation for administered expenses (non-corporate Commonwealth entities and companies)	<b>58,711</b>	34,590
Annual appropriation for payment to corporate Commonwealth entities and companies	<b>114,273</b>	129,356
Transfers (to) Official Public Account	<b>(4,049)</b>	(4,356)
Equity injection to corporate Commonwealth entities and companies	<b>41,674</b>	84,268
Restructuring <sup>1</sup>	<b>(117,158)</b>	-
<b>Closing assets less liabilities as at 30 June</b>	<b>3,782,118</b>	3,131,769

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

**Accounting Policy**

**Administered cash transfers to and from the Official Public Account**

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

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

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

**DEPARTMENT OF THE PRIME MINISTER AND CABINET  
ADMINISTERED CASH FLOW STATEMENT  
for the period ended 30 June 2023**

	2023 \$'000	2022 \$'000
<b>OPERATING ACTIVITIES</b>		
<b>Cash received</b>		
GST received (net)	2,992	3,923
Other	1,342	58
<b>Total cash received</b>	<u>4,334</u>	<u>3,981</u>
<b>Cash used</b>		
Employees	2,298	1,634
Suppliers	7,518	3,682
Grant payments	47,518	28,289
Payments to corporate Commonwealth entities and companies	114,273	129,356
Interest payments on lease liabilities	5	6
<b>Total cash used</b>	<u>171,612</u>	<u>162,967</u>
<b>Net cash (used by) operating activities</b>	<u>(167,278)</u>	<u>(158,986)</u>
<b>INVESTING ACTIVITIES</b>		
<b>Cash used</b>		
Purchase of property, plant and equipment	1,299	103
Payments to corporate Commonwealth entities and companies	41,674	84,268
<b>Total cash used</b>	<u>42,973</u>	<u>84,371</u>
<b>Net cash (used by) investing activities</b>	<u>(42,973)</u>	<u>(84,371)</u>
<b>FINANCING ACTIVITIES</b>		
<b>Cash used</b>		
Principal payments of lease liabilities	360	500
<b>Total cash used</b>	<u>360</u>	<u>500</u>
<b>Net cash (used by) financing activities</b>	<u>(360)</u>	<u>(500)</u>
<b>Net (decrease) in cash held</b>	<u>(210,611)</u>	<u>(243,857)</u>
Cash and cash equivalents at the beginning of the reporting period	-	-
<b>Cash from Official Public Account</b>		
Appropriations	214,658	248,213
<b>Total cash from the Official Public Account</b>	<u>214,658</u>	<u>248,213</u>
<b>Cash to Official Public Account</b>		
Appropriations	(4,049)	(4,356)
<b>Total cash to the Official Public Account</b>	<u>(4,049)</u>	<u>(4,356)</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	<u>-</u>	<u>-</u>

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

**DEPARTMENT OF THE PRIME MINISTER AND CABINET**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the period ended 30 June 2023*

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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 2023*

### Overview

#### Objectives of the Department of the Prime Minister and Cabinet

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

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

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

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

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

#### Basis of preparation of the financial statements

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

The financial statements have been prepared in accordance with:

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

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

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

#### Taxation

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

#### New Australian accounting standards

Two amending standards (AASB 2021-2 and AASB 2021-6) were adopted earlier than the application date as stated in the standard. These amending standards have been adopted for the 2022-23 reporting period and did not have material financial impact.

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 but did not have material financial impact, and are not expected to have a future material financial impact on the department's financial statement.

#### Events after the reporting period

There are no subsequent events occurring after 30 June 2023 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 2023*

**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 2023.

**1.1. Expenses**

	2023	2022
	\$'000	\$'000
<b><u>Note 1.1A: Employee benefits</u></b>		
Wages and salaries	122,887	121,616
Superannuation		
Defined contribution plans	15,684	14,533
Defined benefit plans	5,787	6,719
Leave and other entitlements	15,821	16,689
Separation and redundancies	268	685
Other	744	739
<b>Total employee benefits</b>	<b>161,191</b>	<b>160,981</b>

**Accounting Policy**

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

**Note 1.1B: Suppliers**

**Goods and services**

Consultants, legal, contractors and secondees	49,008	45,237
Equipment, repairs and maintenance	759	1,140
General expenses	5,625	5,943
Venue hire	1,404	120
Advertising and market research	769	3,690
Training	4,856	4,294
Office accommodation, facility management and security	4,920	4,738
Information, communication and technology	37,781	36,399
Travel	3,592	1,570
Audit fees	212	224
<b>Total goods and services</b>	<b>108,926</b>	<b>103,355</b>
Goods supplied	8,609	6,382
Services rendered	100,317	96,973
<b>Total goods and services supplied and rendered</b>	<b>108,926</b>	<b>103,355</b>

**Other suppliers**

Short-term leases	26	52
Workers compensation expenses	283	211
<b>Total other supplier expenses</b>	<b>309</b>	<b>263</b>
<b>Total suppliers</b>	<b>109,235</b>	<b>103,618</b>

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

**Accounting Policy**

**Short-term leases and leases of low-value assets**

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

**DEPARTMENT OF THE PRIME MINISTER AND CABINET**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the period ended 30 June 2023*

	2023	2022
	\$'000	\$'000
<b>Note 1.1C: Grants</b>		
<b>Public sector</b>		
Government entities (related parties) <sup>1</sup>	545	26,690
<b>Private sector</b>		
Non-profit organisations	<u>4</u>	<u>74</u>
<b>Total grants</b>	<u>549</u>	<u>26,764</u>

<sup>1</sup> Additional funding was received following the 2021-22 original budget for the National Australia Day Council. Funding was received through the unquarantining of prior year appropriations.

**Accounting Policy**

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

**Note 1.1D: Finance costs**

Interest on lease liabilities	<u>1,286</u>	<u>1,386</u>
<b>Total finance costs</b>	<u>1,286</u>	<u>1,386</u>

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

**DEPARTMENT OF THE PRIME MINISTER AND CABINET**  
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**1.2. Own-source revenue**

	2023	2022
	\$'000	\$'000
<b>Own-source revenue</b>		
<b><u>Note 1.2A: Revenue from contracts with customers</u></b>		
Revenue from contracts with customers	56,613	53,059
<b>Total revenue from contracts with customers</b>	<b>56,613</b>	<b>53,059</b>
<b>Disaggregation of revenue from contracts with customers</b>		
Delivery of services	55,112	51,107
Cost recovery	1,501	1,952
	<b>56,613</b>	<b>53,059</b>
<b>Type of customer</b>		
Government entities (related parties)	54,996	52,191
Non-government entities	1,617	868
	<b>56,613</b>	<b>53,059</b>
<b>Timing of transfer of goods and services</b>		
Over time	56,613	53,059
	<b>56,613</b>	<b>53,059</b>

**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 to the other Commonwealth agencies. Performance obligations are satisfied over time.

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

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

**Note 1.2B: Resources received free of charge**

Seconded staff	4,341	2,760
Remuneration of auditors	212	212
<b>Total resources received free of charge</b>	<b>4,553</b>	<b>2,972</b>

**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**  
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**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**

	<b>2023</b>	2022
	<b>\$'000</b>	\$'000
<b>Note 2.1A: Employee benefits</b>		
Wages and salaries	1,673	1,374
Superannuation		
Defined contribution plans	166	140
Defined benefit plans	128	74
Leave and other entitlements	336	144
Separation and redundancies	105	-
<b>Total employee benefits</b>	<b>2,408</b>	<b>1,732</b>
<b>Note 2.1B: Suppliers</b>		
<b>Goods and services</b>		
Outsourced providers, contractors and consultants	636	138
Equipment, repairs and maintenance	808	601
Utilities	114	132
Training and venue hire	66	29
Visitor functions	67	13
Other expenses	481	422
Travel	3,316	1,301
Information, communication and technology	83	46
<b>Total goods and services</b>	<b>5,571</b>	<b>2,682</b>
Goods supplied	980	632
Services rendered	4,591	2,050
<b>Total goods and services supplied and rendered</b>	<b>5,571</b>	<b>2,682</b>
<b>Other suppliers</b>		
Workers compensation expenses	3	2
<b>Total other supplier expenses</b>	<b>3</b>	<b>2</b>
<b>Total suppliers</b>	<b>5,574</b>	<b>2,684</b>

**DEPARTMENT OF THE PRIME MINISTER AND CABINET**  
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	2023	2022
	\$'000	\$'000
<b>Note 2.1C: Grants</b>		
Public sector		
Australian Government entities	25,267	7,758
Private sector		
Non-profit organisations	17,430	15,752
Commercial entities	2,548	2,942
<b>Total grants</b>	<b>45,245</b>	<b>26,452</b>
Program 1.1 – Prime Minister and Cabinet	45,245	26,452
<b>Total grants</b>	<b>45,245</b>	<b>26,452</b>

**Accounting Policy**

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

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

<b>Note 2.1D: Finance costs</b>		
Service costs	480	195
Interest on lease liabilities	5	6
<b>Total finance costs</b>	<b>485</b>	<b>201</b>

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

<b>Note 2.1E: Payments to corporate Commonwealth entities and companies</b>		
Aboriginal Hostels Limited	35,931	35,731
Australian Institute of Aboriginal and Torres Strait Islander Studies	21,866	26,269
Indigenous Business Australia	9,361	9,452
Indigenous Land and Sea Corporation	10,629	8,276
Old Parliament House <sup>1</sup>	-	13,569
Torres Strait Regional Authority	36,486	36,059
<b>Total payments to corporate Commonwealth entities and companies</b>	<b>114,273</b>	<b>129,356</b>

<sup>1</sup> Refer to Note 8.2 Restructuring.

**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**  
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**2.2. Administered – Income**

	2023	2022
	\$'000	\$'000
<b><u>Note 2.2A: Other revenue</u></b>		
Return of grant funding	1,340	42
Other	<u>2</u>	<u>16</u>
<b>Total other revenue</b>	<b><u>1,342</u></b>	<b><u>58</u></b>

**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**  
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**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**

	2023	2022
	\$'000	\$'000
<b>Note 3.1: Trade and other receivables</b>		
<b>Goods and services receivables</b>		
Goods and services	<u>4,282</u>	<u>3,363</u>
<b>Total goods and services receivables</b>	<u>4,282</u>	<u>3,363</u>
<b>Appropriation receivables</b>		
Existing programs	<u>60,514</u>	<u>54,372</u>
<b>Total appropriation receivables</b>	<u>60,514</u>	<u>54,372</u>
<b>Other receivables</b>		
Statutory receivables	<u>1,990</u>	<u>1,930</u>
<b>Total other receivables</b>	<u>1,990</u>	<u>1,930</u>
<b>Total trade and other receivables (gross)</b>	<u>66,786</u>	<u>59,665</u>
<b>Less expected credit loss allowance</b>		
Goods and services	<u>(323)</u>	<u>(1)</u>
<b>Total expected credit loss allowance</b>	<u>(323)</u>	<u>(1)</u>
<b>Total trade and other receivables (net)</b>	<u>66,463</u>	<u>59,664</u>

**DEPARTMENT OF THE PRIME MINISTER AND CABINET  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the period ended 30 June 2023**

**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
<b>As at 1 July 2022</b>						
Gross book value	-	-	-	36,184	627	36,811
Fair value	131,697	46,871	21,877	-	-	200,445
Work in progress	-	1,319	4,345	3,875	-	9,539
Accumulated depreciation/amortisation and impairment	(32,715)	(18,345)	(8,247)	(30,204)	(439)	(89,950)
<b>Total as at 1 July 2022</b>	<b>98,982</b>	<b>29,845</b>	<b>17,975</b>	<b>9,855</b>	<b>188</b>	<b>156,845</b>
Adjustment for rounding	-	-	(2)	3	2	3
Other adjustments <sup>1</sup>	-	-	492	-	-	492
<b>Adjusted total as at 1 July 2022</b>	<b>98,982</b>	<b>29,845</b>	<b>18,465</b>	<b>9,858</b>	<b>190</b>	<b>157,340</b>
<b>Additions</b>						
Purchase	-	332	3,548	2,511	44	6,435
Revaluations and impairments recognised in other comprehensive income	18	-	21	-	-	39
Restructuring <sup>2</sup>	-	317	949	-	-	1,266
Depreciation and amortisation	-	(3,242)	(5,808)	(4,266)	-	(4,266)
Depreciation on right-of-use assets	(9,990)	-	(18)	(1,303)	(52)	(10,405)
Other movements of right-of-use assets	-	-	(11)	-	-	(11)
Write-down and impairments recognised in net cost of services (expense)	-	-	(3)	(20)	-	(23)
<b>Total as at 30 June 2023</b>	<b>89,010</b>	<b>27,252</b>	<b>17,143</b>	<b>6,780</b>	<b>182</b>	<b>140,367</b>
<b>Total as at 30 June 2023 represented by</b>						
Gross book value	-	-	-	35,406	559	35,965
Fair value	131,715	45,395	23,450	-	-	200,560
Work in progress	-	25	1,370	542	44	1,981
Accumulated depreciation, amortisation and impairment	(42,705)	(18,168)	(7,677)	(29,168)	(421)	(98,139)
<b>Total as at 30 June 2023</b>	<b>89,010</b>	<b>27,252</b>	<b>17,143</b>	<b>6,780</b>	<b>182</b>	<b>140,367</b>
Carrying amount of right-of-use assets <sup>2</sup>	89,010	-	14	-	-	89,024

<sup>1</sup> Relates to assets recognised by shared service clients.

<sup>2</sup> Relates to asset closing balance for right-of-use assets as at 30 June 2023.

**DEPARTMENT OF THE PRIME MINISTER AND CABINET**  
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**Accounting Policy**

**Asset recognition threshold**

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

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

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

**Leased right-of-use (ROU) assets**

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

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

**Revaluations**

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

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

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

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

**Significant accounting judgements and estimates**

In 2022-23, PM&C procured the services of independent valuation experts (Jones Lang LaSalle and Opteon) to perform valuation of departmental property, plant and equipment and leasehold improvements as at 30 June 2023.

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

The valuation methodologies used (the market approach and the depreciated replacement cost method) have reflected current market conditions. PM&C will revalue its assets again in 2023-24.

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

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

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

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

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

**Intangibles**

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

**Impairment**

All assets were assessed for impairment during 2022-23.

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 (2022: 3 to 50 years)
Leasehold improvements	Lease term (2022: Lease term)
Plant and equipment	1 to 25 years (2022: 1 to 25 years)
Intangibles	1 to 5 years (2022: 1 to 5 years)

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

**De-recognition**

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

**DEPARTMENT OF THE PRIME MINISTER AND CABINET**  
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**3.3. Payables**

	<b>2023</b>	2022
	<b>\$'000</b>	\$'000
<b>Note 3.3A: Suppliers</b>		
Trade creditors and accruals	<u>11,118</u>	<u>11,153</u>
<b>Total suppliers</b>	<u>11,118</u>	<u>11,153</u>

Settlement usually made within 20 days.

**Note 3.3B: Other payables**

Salaries, wages and superannuation	4,141	3,682
Separation and redundancies payable	-	272
Unearned income	574	270
Other <sup>1</sup>	<u>5,022</u>	<u>3,703</u>
<b>Total other payables</b>	<u>9,737</u>	<u>7,927</u>

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

**Accounting Policy**

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



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

	<b>2023</b>	2022
	<b>\$'000</b>	\$'000
<b>Note 3.4: Leases</b>		
Lease liabilities		
Buildings	<b>97,479</b>	105,931
Plant and equipment	<b>15</b>	22
<b>Total lease liabilities</b>	<b>97,494</b>	105,953

Total cash outflows for leases for the year ended 30 June 2023 was \$9,799 million (2022: \$9.660 million).

**Maturity analysis – contractual undiscounted cash flows**

Less than 12 months	<b>10,082</b>	9,756
Between one to five years	<b>40,290</b>	39,982
More than five years	<b>53,487</b>	63,864
<b>Total leases</b>	<b>103,859</b>	113,602

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

- 1) One National Circuit, Barton, ACT – The lease has a remaining term of 9.64 years. There are no options to extend this lease and the lease expiry date is 16 February 2033.
- 2) Level 2, 10 National Circuit, Barton, ACT – The lease has a remaining term of 1.09 years. There is an option to extend this lease by two years at the lease expiry date of 31 July 2024.
- 3) Level 1, 10 National Circuit, Barton, ACT – The lease commenced on 1 August 2021 and the lease has a remaining term of 3.09 years. It contains two options to extend, each for an additional two year period at the lease expiry date of 31 July 2026.

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

**Accounting Policy**

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

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

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

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

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

**4.1. Administered – Financial assets**

	2023	2022
	\$'000	\$'000
<b>Note 4.1: Investments in corporate Commonwealth entities and companies</b>		
Equity interest in		
Aboriginal Hostels Limited	154,991	150,938
Anindilyakwa Land Council	15,854	15,982
Australian Institute of Aboriginal and Torres Strait Islander Studies	51,010	50,112
Central Land Council	88,050	93,272
Indigenous Land and Sea Corporation	408,712	436,921
Indigenous Business Australia	2,062,802	1,941,485
National Australia Day Council Limited	1,439	1,251
Northern Land Council	39,310	61,179
Outback Stores Pty Ltd	40,161	35,980
Tiwi Land Council	14,101	15,704
Torres Strait Regional Authority	118,280	96,959
Wreck Bay Aboriginal Community Council	67,285	70,556
Northern Territory Aboriginal Investment Corporation <sup>1</sup>	675,448	-
Old Parliament House <sup>2</sup>	-	117,158
<b>Total investments in corporate Commonwealth entities and companies</b>	<b>3,737,443</b>	<b>3,087,497</b>

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

<sup>1</sup> Northern Territory Aboriginal Investment Corporation was established in 2022-23. Refer to summary on page 156.

<sup>2</sup> Refer to Note 8.2 Restructuring.

**DEPARTMENT OF THE PRIME MINISTER AND CABINET**  
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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*

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

*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.

**DEPARTMENT OF THE PRIME MINISTER AND CABINET**  
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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.

*Northern Territory Aboriginal Investment Corporation*

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

**Accounting Policy**

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

Administered investments are classified through other comprehensive income and are measured at fair value as at 30 June 2023. Fair value has been taken to be the Government's proportional interest in the net assets as advised by the entities as at the end of the reporting period, recorded in the latest management accounts or unaudited financial statements provided.

**DEPARTMENT OF THE PRIME MINISTER AND CABINET  
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for the period ended 30 June 2023**

**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
<b>As at 1 July 2022</b>					
Fair value	52,090	7,734	534	1,397	61,755
Work in progress	-	126	-	4	130
Accumulated depreciation and impairment	-	(1,351)	(148)	(835)	(2,334)
<b>Total as at 1 July 2022</b>	<b>52,090</b>	<b>6,509</b>	<b>386</b>	<b>566</b>	<b>59,551</b>
<b>Additions</b>					
Purchases	-	1,039	-	260	1,299
Right-of-use assets	-	239	-	58	297
Revaluations recognised in other comprehensive income	-	47	102	15	164
Depreciation expense	-	(42)	(221)	(129)	(392)
Depreciation on right-of-use assets	-	(306)	-	(45)	(351)
<b>Total as at 30 June 2023</b>	<b>52,090</b>	<b>7,486</b>	<b>267</b>	<b>725</b>	<b>60,568</b>
<b>Total as at 30 June 2023 represented by</b>					
Fair value	52,090	7,870	415	1,406	61,781
Work in progress	-	1,060	-	177	1,237
Accumulated depreciation and impairment	-	(1,444)	(148)	(858)	(2,450)
<b>Total as at 30 June 2023</b>	<b>52,090</b>	<b>7,486</b>	<b>267</b>	<b>725</b>	<b>60,568</b>
Carrying amount of right-of-use assets <sup>1</sup>	-	477	-	42	519

<sup>1</sup> Relates to asset closing balance for right-of-use assets as at 30 June 2023.

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 for the period ended 30 June 2023**

<b>Accounting Policy</b>	
<b>Revaluation</b>	
<p>In 2022-23, PM&amp;C procured the services of independent valuation experts (Jones Lang LaSalle and Opteon) to perform physical inspection valuation of administered land, buildings and property, plant and equipment and leasehold improvements assets as at 30 June 2023.</p> <p>The experts provided written assurance that the models developed to value assets are in compliance with accounting and valuation standards. The valuations also took into consideration that real estate markets and in particular certain niches in the market (unique properties such as those held by PM&amp;C) are less volatile.</p> <p>The valuation methodologies used (the market approach and the depreciated replacement cost method) have reflected current market conditions.</p>	
<b>Depreciation</b>	
<p>Depreciation rates applying to each class of depreciable asset are based on the following useful lives for the current and prior reporting periods.</p>	
<b>Asset class</b>	<b>Useful lives</b>
Buildings excluding leasehold improvements	22 to 30 years (2022: 22 to 30 years)
Leasehold improvements	Lease term (2022: Lease term)
Plant and equipment	5 to 114 years (2022: 5 to 114 years)

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**4.3. Administered – Interest bearing liabilities**

**Note 4.3: Leases**

Lease liabilities		
Buildings	493	570
Plant and equipment	43	29
<b>Total finance leases</b>	<b>536</b>	<b>599</b>
<b>Maturity analysis - contractual undiscounted cash flows</b>		
Less than 12 months	378	356
Between one to five years	184	280
More than five years	-	-
<b>Total leases</b>	<b>562</b>	<b>636</b>

Total cash outflows for leases for the year ended 30 June 2023 was \$0.365 million (2022: \$0.506 million).

PM&C in its capacity as a lessee has a total of four properties leases and five 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 0.75 years. There are no options to extend this lease and the lease expiry date is 31 March 2024.
- 2) Suite 1 Level 13, 139 Macquarie Street Sydney NSW – The lease has a remaining term of 0.92 years. There are no options to extend this lease and the lease expiry date is 31 May 2024.
- 3) Waterfront Place Brisbane QLD (building and car park) – The lease has a remaining term of 0.59 years. There are no options to extend this lease and the lease expiry date is 31 January 2024.
- 4) Ground floor, 15 Murray Crescent Griffith ACT – New contract executed on 16 June 2023. The lease has a remaining term of 0.84 years. There are two options to extend this lease and the lease expiry date is 31 April 2024.

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')**

	2023	2022
	\$'000	\$'000
<b>Ordinary annual services</b>		
Annual Appropriation		
Operating	252,861	223,247
Capital budget	13,075	13,593
Section 74 receipts	68,613	67,441
Section 75 transfers (current year) <sup>1</sup>	(22,372)	-
Section 75 transfers (prior year) <sup>1</sup>	(8,714)	-
<b>Total available appropriation</b>	<b>303,463</b>	<b>304,281</b>
Appropriation applied (current and prior years)	(292,057)	(311,126)
<b>Variance</b>	<b>11,406</b>	<b>(6,845)</b>
Opening unspent appropriation balance	107,085	117,930
Repeal of <i>Appropriation Acts 2018-19</i>	-	(4,000)
Repeal of <i>Appropriation Acts 2019-20</i> <sup>2</sup>	(50,851)	-
<b>Closing unspent appropriation balance</b>	<b>67,640</b>	<b>107,085</b>
<b>Balance comprises appropriations as follows:</b>		
<i>Appropriation Act (No. 1) 2019-20</i> <sup>2</sup>	-	44,141
<i>Appropriation Act (No. 1) 2019-20 – Capital Budget (DCB) – Non Operating</i> <sup>2</sup>	-	6,710
<i>Appropriation Act (No. 1) 2020-21</i>	-	2,500
<i>Appropriation Act (No. 1) 2020-21 – Capital Budget (DCB) – Non Operating</i>	-	2,310
<i>Appropriation Act (No. 1) 2021-22</i>	-	15,334
<i>Appropriation Act (No. 1) 2021-22 – Capital Budget (DCB) – Non Operating</i>	-	4,578
<i>Appropriation Act (No. 3) 2021-22</i>	5,193 <sup>3</sup>	28,676
<i>Appropriation Act (No. 3) 2021-22 – Capital Budget (DCB) – Non Operating</i>	-	974
<i>Appropriation Act (No. 1) 2021-22 cash held by the department</i> <sup>4</sup>	-	1,862
<i>Appropriation Act (No. 1) 2022-23</i>	50,763	-
<i>Appropriation Act (No. 1) 2022-23 – Capital Budget (DCB) – Non Operating</i>	6,417	-
<i>Supply Act (No. 1) 2021-22 – Capital Budget (DCB) – Non Operating</i>	1,375	-
<i>Supply Act (No. 3) 2021-22 – Capital Budget (DCB) – Non Operating</i>	1,958	-
<i>Appropriation Act (No. 1) 2022-23 cash held by the department</i> <sup>4</sup>	1,934	-
<b>Total unspent appropriation - ordinary annual services</b>	<b>67,640</b>	<b>107,085</b>
<b>Other services</b>		
Opening unspent appropriation balance	-	139
Repeal of <i>Appropriation Act (No. 2) 2018-19 – Non Operating – Equity Injection</i>	-	(139)
<b>Closing unspent appropriation balance</b>	<b>-</b>	<b>-</b>
<b>Total unspent appropriation</b>	<b>67,640</b>	<b>107,085</b>

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

<sup>2</sup> Quarantine amounts relates to the 2019-2020 NIAA restructure with appropriation permanently quarantined rather than a reduction via section 75 of the *PGPA Act*. In 2021-22, amount of \$29.200 million was released from quarantine against *Appropriation Act (No. 1) 2019-2020* to fund the National Australia Day measure and the Sydney Energy Forum. The remaining quarantined funds have been repealed as at 1 July 2022.

<sup>3</sup> The unspent annual appropriation is shown inclusive of Section 51 permanent quarantines against *Appropriation Act (No. 3) 2021-2022* of \$5.193 million relates to the 2022-23 restructure with the Attorney General's Department.

<sup>4</sup> Cash held by the department. Refer to 'Cash and cash equivalents'.



**DEPARTMENT OF THE PRIME MINISTER AND CABINET**  
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**Note 5.1B: Administered annual and unspent appropriations ('recoverable GST exclusive')**

	2023	2022
	\$'000	\$'000
<b>Ordinary annual services</b>		
Annual Appropriation		
Operating	56,550	40,623
Capital budget	1,674	1,652
Payments to corporate Commonwealth entities/companies	114,273	129,356
Section 75 transfers (current year) <sup>1</sup>	(2,282)	-
<b>Total available appropriation</b>	<b>170,215</b>	<b>171,631</b>
Appropriation applied (current and prior years)	(170,315)	(161,936)
<b>Variance</b>	<b>(100)</b>	<b>9,695</b>
Opening unspent appropriation balance	19,411	12,585
Repeal of <i>Annual Appropriation Acts 2018-19</i>	-	(2,869)
Repeal of <i>Annual Appropriation Acts 2019-20</i>	(3,124)	-
<b>Closing unspent appropriation balance</b>	<b>16,187</b>	<b>19,411</b>
<b>Balance comprises appropriations as follows:</b>		
<i>Appropriation Act (No. 1) 2019-20 – Capital Budget (DCB) – Non Operating</i>	-	407
<i>Supply Act (No. 1) 2019-20 – Capital Budget (DCB) – Non Operating</i>	-	514
<i>Appropriation Act (No. 3) 2019-20</i>	-	2,203
<i>Appropriation Act (No. 1) 2020-21</i>	88	88
<i>Appropriation Act (No. 1) 2020-21 – Capital Budget (DCB) – Non Operating</i>	-	637
<i>Appropriation Act (No. 3) 2020-21</i>	5,151	5,151
<i>Supply Act (No. 1) 2020-21 – Capital Budget (DCB) – Non Operating</i>	252	718
<i>Appropriation Act (No. 1) 2021-22</i>	3,297	3,797
<i>Appropriation Act (No. 1) 2021-22 – Capital Budget (DCB) – Non Operating</i>	1,346	1,542
<i>Appropriation Act (No. 3) 2021-22</i>	4,354	4,354
<i>Supply Act (No. 1) 2022-23 – Capital Budget (DCB) – Non Operating</i>	698	-
<i>Supply Act (No. 3) 2022-23 – Capital Budget (DCB) – Non Operating</i>	976	-
<i>Appropriation Act (No. 1) 2022-23</i>	25	-
<b>Total unspent appropriation - ordinary annual services</b>	<b>16,187</b>	<b>19,411</b>
<b>Other services</b>		
Annual Appropriation		
Payments to corporate Commonwealth entities/companies	41,674	84,268
<b>Total available appropriation</b>	<b>41,674</b>	<b>84,268</b>
Appropriation applied (current and prior years)	(41,674)	(84,268)
<b>Variance</b>	<b>-</b>	<b>-</b>
<b>Total unspent appropriation</b>	<b>16,187</b>	<b>19,411</b>
<sup>1</sup> On 23 June 2022, the Governor-General signed the Administrative Arrangement Order (AAO), which took effect from 1 July 2022. There were several restructures that impacted the department. Refer to Note 8.2 Restructuring.		

**Accounting Policy**

**Revenue from Government – departmental**

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

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**5.2. Special Accounts**

For the years ending 30 June 2023 and 30 June 2022, the Services for Other Entities and Trust Moneys <sup>1</sup> account had a nil balance and there were no transactions debited or credited during either year.

<sup>1</sup> *Appropriation: Public Governance, Performance and Accountability Act 2013; section 78*

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

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

This account is non-interest bearing.

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**6. People**

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

**6.1. Employee provisions**

	<b>2023</b>	2022
	<b>\$'000</b>	\$'000
<b>Note 6.1A: Employee provisions</b>		
Annual leave	<b>19,857</b>	20,412
Long service leave	<b>25,621</b>	27,088
<b>Total employee provisions</b>	<b>45,478</b>	47,500

**Accounting policy and significant accounting judgements**

**Employee benefits**

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

Leave

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

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

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

Separation and redundancy

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

Superannuation

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

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

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

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

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	2023	2022
	\$'000	\$'000
<b>Note 6.1B: Administered employee provisions</b>		
Annual leave	259	268
Long service leave	439	413
<b>Total employee provisions</b>	<b>698</b>	<b>681</b>

**Accounting Policy**

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

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

Non-cash benefits – former Governors-General	13,946	13,400
<b>Total non-cash benefits – former Governors-General benefits</b>	<b>13,946</b>	<b>13,400</b>

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

Net liability at 1 July 2022	13,400	15,330
Finance costs	480	195
Actuarial (gains)/losses	1,312	(1,103)
Benefits paid	(1,246)	(1,022)
Net liability at 30 June 2023	<b>13,946</b>	<b>13,400</b>

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

Discount rate at 30 June 2023	4.02%	3.57%
Future salary increases	3.70%	3.60%
Inflation rate	2.50%	2.70%
Rate of expenditure slow down over time	2.00%	2.00%

**Accounting Policy**

**Former Governors-General benefits**

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

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

**Significant accounting judgements and estimates**

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

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**6.2. Key management personnel remuneration**

	<b>2023</b>	2022
	<b>\$'000</b>	\$'000
Short-term employee benefits	<b>4,412</b>	2,972
Post-employment benefits	<b>598</b>	448
Other long-term employee benefits	<b>105</b>	106
Termination benefits	<b>-</b>	408
<b>Total key management personnel remuneration expenses<sup>1</sup></b>	<b>5,115</b>	3,934

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

The total number of KMP included in the above table is 16 (2022: 10).

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

The number of KMP roles is nine (2022: seven)

The department had a movement in Deputy Secretaries throughout the year in acting arrangements, internal restructure and new measures resulted in four additional senior executive position. This is mainly due to the extension of APS Reform Office and Net Zero Transformation Taskforce.

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

**6.3. Related party disclosures**

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

Significant transactions with related parties can include:

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

**Transactions with related parties**

No transactions with related parties were identified during the 2022-23 financial year.

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for the period ended 30 June 2023**

**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 2023 (2022: nil).

*Unquantifiable contingencies*

As at 30 June 2023, the department had contingent gains likely to be receipted that are not quantifiable. There are two open legal matters relating to a range of legal issues with varying probabilities of success (2022: four). 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 2023.

**7.2. Financial instruments**

	2023	2022
	\$'000	\$'000
<b>Note 7.2A: Categories of financial instruments</b>		
<b>Financial assets at amortised cost</b>		
Cash and cash equivalents	1,934	1,862
Goods and services receivables (net)	1,521	2,297
Accrued revenue	5,682	3,229
<b>Total financial assets at amortised cost</b>	<b>9,137</b>	<b>7,388</b>
<b>Total financial assets</b>	<b>9,137</b>	<b>7,388</b>
<b>Financial liabilities</b>		
<b>Financial liabilities measured at amortised cost</b>		
Trade creditors and accruals	11,118	11,153
<b>Total financial liabilities measured at amortised cost</b>	<b>11,118</b>	<b>11,153</b>
<b>Total financial liabilities</b>	<b>11,118</b>	<b>11,153</b>

**Note 7.2B: Net gains or losses on financial assets**

<b>Financial assets at amortised cost</b>		
Impairment	(323)	-
Reversal of impairment	-	1
<b>Net (loss) / gain on financial assets at amortised cost</b>	<b>(323)</b>	<b>1</b>

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**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**

	<b>2023</b>	2022
	<b>\$'000</b>	\$'000
<b><u>Note 7.3A: Categories of financial instruments</u></b>		
<b>Financial assets at amortised cost</b>		
Cash	-	-
Goods and services receivable (net)	-	-
<b>Total financial assets at amortised cost</b>	<b>-</b>	<b>-</b>
<b>Financial assets at fair value through other comprehensive income</b>		
Investments in corporate Commonwealth entities	3,737,443	3,087,497
<b>Total financial assets at fair value through other comprehensive income</b>	<b>3,737,443</b>	<b>3,087,497</b>
<b>Total financial assets</b>	<b>3,737,443</b>	<b>3,087,497</b>
<b>Financial liabilities</b>		
<b>Financial liabilities measured at amortised cost</b>		
Trade creditors and accruals	611	315
<b>Total financial liabilities measured at amortised cost</b>	<b>611</b>	<b>315</b>
<b>Total financial liabilities</b>	<b>611</b>	<b>315</b>
<b><u>Note 7.3B: Net gains or losses on financial instruments</u></b>		
<b>Investment in equity instruments at fair value through other comprehensive income</b>		
Changes in investments in corporate Commonwealth entities	608,272	132,756
<b>Net gain on investments in equity instruments at fair value through other comprehensive income</b>	<b>608,272</b>	<b>132,756</b>

DEPARTMENT OF THE PRIME MINISTER AND CABINET  
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**8. Other information**

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

	2023	2022
	\$'000	\$'000
<b>Note 8.1A: Current/non-current distinction for assets and liabilities</b>		
<b>Assets expected to be recovered in:</b>		
<b>No more than 12 months</b>		
Cash and cash equivalents	1,934	1,862
Trade and other receivables	66,463	59,664
Prepayments	5,695	5,565
Accrued revenue	5,682	3,229
<b>Total no more than 12 months</b>	<b>79,774</b>	<b>70,320</b>
<b>More than 12 months</b>		
Leasehold improvements	27,252	29,845
Buildings	89,010	98,982
Plant and equipment	17,143	17,975
Intangibles	6,962	10,043
Prepayments	1,234	1,495
<b>Total more than 12 months</b>	<b>141,601</b>	<b>158,340</b>
<b>Total assets</b>	<b>221,375</b>	<b>228,660</b>
<b>Liabilities expected to be settled in:</b>		
<b>No more than 12 months</b>		
Suppliers	11,118	11,153
Other payables	9,737	7,927
Leases	8,902	8,470
Employee leave	13,808	14,173
<b>Total no more than 12 months</b>	<b>43,565</b>	<b>41,723</b>
<b>More than 12 months</b>		
Leases	88,592	97,483
Employee leave	31,670	33,327
Make good provision	293	275
<b>Total more than 12 months</b>	<b>120,555</b>	<b>131,085</b>
<b>Total liabilities</b>	<b>164,120</b>	<b>172,808</b>



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	2023	2022
	\$'000	\$'000
<b><u>Note 8.1B: Administered – Current/non-current distinction for assets and liabilities</u></b>		
<b>Assets expected to be recovered in:</b>		
<b>No more than 12 months</b>		
Cash	-	-
Trade and other receivables	309	94
Prepayments	49	51
<b>Total no more than 12 months</b>	<b>358</b>	<b>145</b>
<b>More than 12 months</b>		
Property, plant and equipment	60,568	59,551
Investments in corporate Commonwealth entities	3,737,443	3,087,497
<b>Total more than 12 months</b>	<b>3,798,011</b>	<b>3,147,048</b>
<b>Total assets</b>	<b>3,798,369</b>	<b>3,147,193</b>
<b>Liabilities expected to be settled in:</b>		
<b>No more than 12 months</b>		
Trade creditors and accruals	611	315
Other payables	75	56
Leases	357	332
Employee provisions	191	191
<b>Total no more than 12 months</b>	<b>1,234</b>	<b>894</b>
<b>More than 12 months</b>		
Leases	179	267
Employee provisions	507	490
Non-cash benefits – former Governors-General	13,946	13,400
Make good provisions	385	373
<b>Total more than 12 months</b>	<b>15,017</b>	<b>14,530</b>
<b>Total liabilities</b>	<b>16,251</b>	<b>15,424</b>

**DEPARTMENT OF THE PRIME MINISTER AND CABINET  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the period ended 30 June 2023**

**8.2. Restructuring**

On 23 June 2022, the Governor-General signed the Administrative Arrangements Order (AAO), which took effect from 1 July 2022. As a result, there were several restructures that impacted the department.

FUNCTION RELINQUISHED				
2023				
	Attorney General's Department <sup>1</sup>	Department of Industry, Science, and Resources <sup>2</sup>	Department of Finance <sup>3</sup>	Old Parliament House Department of Infrastructure, Transport, Regional Development, Communications and Arts <sup>4</sup>
	\$'000	\$'000	\$'000	\$'000
<b>FUNCTION RELINQUISHED</b>				
<b>Assets relinquished</b>				
Appropriation receivable	1,352	1,668	3,098	-
Appropriation receivable - DCB	-	-	2,595	-
Intangibles	-	-	4,266	-
Investment in corporate Commonwealth entities	-	-	-	117,158
<b>Total assets relinquished</b>	<b>1,352</b>	<b>1,668</b>	<b>9,959</b>	<b>117,158</b>
<b>Liabilities relinquished</b>				
Employee provisions	1,216	1,668	3,098	-
Supplier payables	136	-	-	-
<b>Total liabilities relinquished</b>	<b>1,352</b>	<b>1,668</b>	<b>3,098</b>	<b>-</b>
<b>Net assets relinquished</b>	<b>-</b>	<b>-</b>	<b>6,861</b>	<b>117,158</b>

## DEPARTMENT OF THE PRIME MINISTER AND CABINET NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the period ended 30 June 2023

<sup>1</sup> Responsibility for the National Office of Child Safety and Open Government Partnership was relinquished to the Attorney-General's Department.

<sup>2</sup> Responsibility for the Office of Supply Chain Resilience, Digital Technologies Taskforce and Critical Technologies Policy Coordination Office was relinquished to the Department of Industry, Science and Resources.

<sup>3</sup> Responsibility for the whole-of-government deregulation policy coordination and Data and Digital policy including the Digital Transformation Agency and the Office of National Data Commissioner was relinquished to the Department of Finance (DoF). A total appropriation DCB of \$4.869 million was transferred to DoF, however \$2.274 million was not disclosed in the above Restructure Note as this was transferred prior to the October budget. This is separately disclosed in Note 5.1 Appropriations.

<sup>4</sup> The Museum of Australian Democracy (Old Parliament House) was relinquished from PM&C portfolio to the Infrastructure, Transport, Regional Development, Communications and the Arts portfolio.

### Other functions relinquished

Responsibility for the National Soils Advocate was relinquished to the Department of Agriculture, Fisheries and Forestry. No assets or liabilities were transferred.

Responsibility for the Automatic Mutual Recognition of Occupational Registrations grant program was relinquished to the Department of Employment and Workplace Relations. No assets or liabilities were transferred.



# Part five: Glossary and indexes

## Compliance index

PGPA Rule Reference	Part of Report	Description	Requirement
17AD(g)	<b>Letter of transmittal</b>		
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)	<b>Aids to access</b>		
17AJ(a)	v	Table of contents (print only).	Mandatory
17AJ(b)	186–194	Alphabetical index (print only).	Mandatory
17AJ(c)	183–184	Glossary of abbreviations and acronyms.	Mandatory
17AJ(d)	173–182	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
<b>17AD(a)</b>	<b>Review by accountable authority</b>		
17AD(a)	1–3	A review by the accountable authority of the entity.	Mandatory
<b>17AD(b)</b>	<b>Overview of the entity</b>		
17AE(1)(a)(i)	4–5	A description of the role and functions of the entity.	Mandatory
17AE(1)(a)(ii)	5–10, 14–15	A description of the organisational structure of the entity.	Mandatory

<b>PGPA Rule Reference</b>	<b>Part of Report</b>	<b>Description</b>	<b>Requirement</b>
17AE(1)(a)(iii)	18	A description of the outcomes and programmes administered by the entity.	Mandatory
17AE(1)(a)(iv)	4	A description of the purposes of the entity as included in corporate plan.	Mandatory
17AE(1)(aa)(i)	10	Name of the accountable authority or each member of the accountable authority	Mandatory
17AE(1)(aa)(ii)	10	Position title of the accountable authority or each member of the accountable authority	Mandatory
17AE(1)(aa)(iii)	10	Period as the accountable authority or member of the accountable authority within the reporting period	Mandatory
17AE(1)(b)	11–12	An outline of the structure of the portfolio of the entity.	Portfolio departments mandatory
17AE(2)	N/A	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory
<b>17AD(c)</b>	<b>Report on the Performance of the entity</b>		
	<b>Annual Performance Statement</b>		
17AD(c)(i); 16F	21–61	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory
17AD(c)(ii)	<b>Report on Financial Performance</b>		
17AF(1)(a)	112–113	A discussion and analysis of the entity's financial performance.	Mandatory
17AF(1)(b)	115–116	A table summarising the total resources and total payments of the entity.	Mandatory

<b>PGPA Rule Reference</b>	<b>Part of Report</b>	<b>Description</b>	<b>Requirement</b>
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.
<b>17AD(d)</b>	<b>Management and Accountability</b>		
	<b>Corporate Governance</b>		
17AG(2)(a)	71–72	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	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)	63–74	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory
17AG(2)(d) – (e)	117	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to noncompliance with Finance law and action taken to remedy noncompliance.	If applicable, Mandatory

<b>PGPA Rule Reference</b>	<b>Part of Report</b>	<b>Description</b>	<b>Requirement</b>
<b><i>Audit Committee</i></b>			
17AG(2A)(a)	65	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory
17AG(2A)(b)	66–70	The name of each member of the entity's audit committee.	Mandatory
17AG(2A)(c)	66–70	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory
17AG(2A)(d)	66–70	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory
17AG(2A)(e)	66–70	The remuneration of each member of the entity's audit committee.	Mandatory
<b><i>External Scrutiny</i></b>			
17AG(3)	72–74	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory
17AG(3)(a)	74	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)	72	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
<b><i>Management of Human Resources</i></b>			
17AG(4)(a)	75	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory



<b>PGPA Rule Reference</b>	<b>Part of Report</b>	<b>Description</b>	<b>Requirement</b>
17AG(4)(aa)	76–79	<p>Statistics on the entity’s employees on an ongoing and non-ongoing basis, including the following:</p> <ul style="list-style-type: none"> <li>(a) statistics on full time employees;</li> <li>(b) statistics on part time employees;</li> <li>(c) statistics on gender</li> <li>(d) statistics on staff location</li> </ul>	Mandatory
17AG(4)(b)	76–87	<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"> <li>• Statistics on staffing classification level;</li> <li>• Statistics on full time employees;</li> <li>• Statistics on part time employees;</li> <li>• Statistics on gender;</li> <li>• Statistics on staff location;</li> <li>• Statistics on employees who identify as Indigenous.</li> </ul>	Mandatory
17AG(4)(c)	98	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)	98	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)	99	The salary ranges available for APS employees by classification level.	Mandatory
17AG(4)(c)(iii)	105	A description of non-salary benefits provided to employees.	Mandatory
17AG(4)(d)(i)	N/A	Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory
17AG(4)(d)(ii)	N/A	Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory

<b>PGPA Rule Reference</b>	<b>Part of Report</b>	<b>Description</b>	<b>Requirement</b>
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
<b>Assets Management</b>			
17AG(5)	N/A	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities	If applicable, Mandatory
<b>Purchasing</b>			
17AG(6)	117	An assessment of entity performance against the <i>Commonwealth Procurement Rules</i> .	Mandatory
<b>Reportable consultancy contracts</b>			
17AG(7)(a)	118–119	A summary statement detailing the number of new reportable consultancy contracts entered into during the period; the total actual expenditure on all such contracts (inclusive of GST); the number of ongoing reportable consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7)(b)	118	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)	118	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

<b>PGPA Rule Reference</b>	<b>Part of Report</b>	<b>Description</b>	<b>Requirement</b>
17AG(7)(d)	118	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
<b>Reportable non-consultancy contracts</b>			
17AG(7A)(a)	119	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)	119	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	118–119	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
<b>Australian National Audit Office Access Clauses</b>			
17AG(8)	120	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 AuditorGeneral 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
<b>Exempt contracts</b>			
17AG(9)	117	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
<b>Small business</b>			
17AG(10)(a)	120	A statement that "[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website."	Mandatory
17AG(10)(b)	121	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AG(10)(c)	121	If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that “[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury’s website.”	If applicable, Mandatory
<b>Financial Statements</b>			
17AD(e)	125–171	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory
<b>Executive Remuneration</b>			
17AD(da)	99–104	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 23 of the Rule.	Mandatory
<b>Other Mandatory Information</b>			
17AH(1)(a)(i)	N/A	If the entity conducted advertising campaigns, a statement that “During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.”	If applicable, Mandatory
17AH(1)(a)(ii)	121	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, Mandatory
17AH(1)(b)	122	A statement that “Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity’s website].”	If applicable, Mandatory

<b>PGPA Rule Reference</b>	<b>Part of Report</b>	<b>Description</b>	<b>Requirement</b>
17AH(1)(c)	122	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory
17AH(1)(d)	74	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)	N/A	Information required by other legislation	Mandatory

# List of abbreviations

AGCMF	Australian Government Crisis Management Framework
APS	Australian Public Service
APSC	Australian Public Service Commission
ASEAN	Association of Southeast Asian Nations
AWEI	Australian Workplace Equality Index
BETA	Behavioural Economics Team of the Australian Government
CALD	Culturally and linguistically diverse
CPRs	Commonwealth Procurement Rules
EL	Executive Level
ERC	Expenditure Review Committee
G20	Group of Twenty
G7	Group of Seven
GST	Goods and Services Tax
KMP	Key management personnel
LGC	Large-scale generation certificate
MP	Member of Parliament
N/A	Not applicable
NACC	National Anti-Corruption Commission
NAIDOC	National Aborigines and Islanders Day Observance Committee
NDIS	National Disability Insurance Scheme
NEMA	National Emergency Management Agency

OIA Office of Impact Analysis

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PBS Portfolio Budget Statements

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PGPA Act *Public Governance, Performance and Accountability Act 2013*

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PGPA Rule Public Governance, Performance and Accountability Rule 2014

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PM&C Department of the Prime Minister and Cabinet

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RAP Reconciliation Action Plan 2021–2023

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SES Senior Executive Service

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SMEs Small and medium enterprises

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# Glossary of terms

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

---

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

---

**AUKUS** – A trilateral security partnership between Australia, the United Kingdom and the United States.

---

**Budget** – The announced fiscal and economic outlook for Australia for a financial year. It includes expenditure and revenue estimates for the current financial year, the Budget year and the 3 forward financial years.

---

**Closing the Gap** – A commitment by all Australian governments to improving the lives of Aboriginal and Torres Strait Islander people. A national integrated Closing the Gap strategy has been agreed by the Commonwealth, state and territory governments.

---

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

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**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.

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**Portfolio Budget Statements (PBS)** – Statements that explain where appropriated funds are to be spent for a portfolio.

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**Quad** – A diplomatic network comprising Australia, India, Japan and the United States.

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