



Australian Government

Department of the Prime Minister and Cabinet

Annual Report

2024–25

About this report

This annual 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 2025.

It has been prepared in accordance with 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 at Appendix A 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 at pmc.gov.au/about-us/accountability-and-reporting/annual-reports, and on the Transparency Portal, transparency.gov.au.

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Acknowledgement of Country

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

PM&C Reconciliation Action Plan 2024–2027 artworks were designed by Ngunnawal, Wiradjuri and Kamilaroi artist Lynnice Letty Church, and Torres Strait Islander artist Jessie Mordey, a descendant of the Duaureb and Komet clans, including the Kemer Kemer Meriam Nation and Wakaid Clan from Badu Island.

Aboriginal artwork



Torres Strait Islander artwork



A key theme of the Aboriginal artwork is the visual representation that symbolises the history of Australia. The work represents PM&C's role at the centre of government, touching the lives of all Australians, and the importance of building relationships through respect, collaboration and trust. It shows the importance of listening, sharing and building knowledge and understanding of Aboriginal and Torres Strait Islander cultures.

The Torres Strait Islander artwork *Meriba Ged* ('our place/our island') is a representation of the Torres Strait Islander community and culture. Its unique symbols and intricate patterns are a visual reference to Torres Strait Islander heritage, peoples and identity, with a colour palette connecting the artwork to Sea Country.

Letter of transmittal



Australian Government
Department of the Prime Minister and Cabinet

SECRETARY

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

Dear Prime Minister

I am pleased to present the Department of the Prime Minister and Cabinet Annual Report 2024–25.

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 by 31 October annually.

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

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

Following the tabling of the Department of the Prime Minister and Cabinet Annual Report 2024–25, the report will be available on the department's website, www.pmc.gov.au and the Transparency Portal, www.transparency.gov.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Steve Kennedy'.

Dr Steven Kennedy PSM

7 October 2025

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Secretary's review



Dr Steven Kennedy PSM
Secretary of the Department of the Prime Minister and Cabinet

I am pleased to present my first annual report as Secretary of the Department of the Prime Minister and Cabinet.

I acknowledge the work of my predecessor, Professor Glyn Davis AC, and the department's achievements under his leadership throughout most of the reporting period.

Over the past 12 months, PM&C has worked at the centre of government to provide influential and impartial advice; to support government priorities through whole-of-government leadership and coordination; and to enable decision-making, including through Cabinet operations.

As the lead agency for the Australian Public Service (APS), policy collaboration is central to what we do. We utilise our convening and problem solving expertise, drawing on the views and experience of others, to enable whole-of-government and whole-of-nation approaches to domestic and international policy. The department played a key role in preparing for the federal election on 3 May 2025, offering guidance on the election arrangements, caretaker conventions and establishment of the new ministry.

Supporting the government's domestic agenda

Over the past 12 months, PM&C's leadership and oversight role has enabled us to support the delivery of the government's substantial domestic policy agenda, including in the areas of cost-of-living relief, housing supply, response to natural disasters, aged care and gender equality.

The Office for Women continued to support the Minister for Women and lead on structural reforms to close gender gaps in the workplace. A key achievement was developing *The Workplace Gender Equality Amendment (Setting Gender Equality Targets) Act 2025*, which establishes a world-first gender targets scheme for large organisations in Australia. In addition, the Office for Women supported whole-of-government coordination and delivery on ending gender-based violence, working with the Department of Social Services as stewards of the National Plan to End Violence against Women and Children 2022–2032, and continued to prioritise engaging women from diverse backgrounds to inform policymaking and program delivery.

Throughout 2024–25, PM&C hosted a number of taskforces that brought wide-ranging expertise from across the APS together to deliver on key government priorities.

Supporting the government's international and national security agenda

In support of the government's international agenda and in an increasingly complex environment, PM&C has continued to play a leading role in advancing Australia's foreign policy and national security interests during 2024–25. PM&C has coordinated key engagements for the Prime Minister with foreign leaders, both in Australia and overseas, including the Quad and the Group of Seven (G7) leader's meetings in the United States and Canada, as well as bilateral meetings across Europe, Southeast Asia, South America and the Pacific.

This year saw PM&C support the delivery of Australia's Counter-Terrorism and Violent Extremism Strategy, and the passage of Australia's first cyber security act. The department coordinated across agencies on national civil preparedness, and supported Australia's response to international disasters.

PM&C supported ongoing policy and defence capability initiatives and collaborated with Defence and the Australian Submarine Agency to support the release of the 2024 Naval Shipbuilding and Sustainment Plan and Australia's AUKUS Submarine Industry Strategy.

Our people and capability

Our people are central to PM&C's success. We aim to have the right mix of people, with diverse skills, capability and life experience, to support the government to deliver for the Australian people in an increasingly complex environment. Our 2025 APS Employee Census results report high levels of motivation, satisfaction and commitment, with 95% of staff reporting that they were happy to go the 'extra mile' at work when required.

The capability of our people and our place at the centre of government enables us to offer unique services to support the broader APS. The Behavioural Economics Team of the Australian Government (BETA) partners with other APS agencies to generate and apply evidence from the behavioural and social sciences to find solutions to complex policy problems. During 2024–25, the BETA team partnered with the Department of Employment and Workplace Relations to understand the impacts of family and domestic violence leave.

In addition, the Australian Government Consulting worked with other APS agencies to solve strategy, policy and organisational performance problems, as well supporting agencies to get better value from the market when procuring external consulting services. In 2024–25, Australian Government Consulting delivered 19 projects for 12 APS agencies, and displaced an estimated \$5.9 million in external consulting spend.

Looking ahead

PM&C's capacity to perform depends on the capability of our staff. Their adaptability, strategic insight and ability to build strong partnerships across government and beyond.

Our success reflects our integrity, purpose, and commitment to fostering a workplace where people can thrive.

I am proud of the department's achievements over the past 12 months, and look forward to continuing to meet the high expectations of the government – and the Australian people – into 2026 and beyond.

Dr Steven Kennedy PSM

Secretary

7 October 2025

Part 1

Overview





Our ministers

Following the May 2025 election, the Prime Minister, the Hon Anthony Albanese MP, announced changes to the ministerial arrangements for the Prime Minister and Cabinet portfolio. As at 30 June 2025, ministers appointed to the Prime Minister and Cabinet portfolio were:



The Hon Anthony Albanese MP
Prime Minister



**Senator the Hon
Katy Gallagher**

Minister for the
Public Service and
Minister for Women



**Senator the Hon
Malarndirri McCarthy**

Minister for Indigenous
Australians



**The Hon
Patrick Gorman MP**

Assistant Minister
to the Prime Minister
and Assistant Minister
for the Public Service



**The Hon
Rebecca White MP**

Assistant Minister
for Women



**The Hon
Dr Andrew Charlton MP**

Cabinet Secretary

In addition, the following ministers held posts in the Prime Minister and Cabinet portfolio during the reporting period:

- The Hon Linda Burney MP, Minister for Indigenous Australians
- The Hon Mark Dreyfus KC MP, Cabinet Secretary
- Senator the Hon Tim Ayres, Assistant Minister for a Future Made in Australia
- The Hon Kate Thwaites MP, Assistant Minister for Women
- Senator the Hon Malarndirri McCarthy, Assistant Minister for Indigenous Australians.

Supporting the 2025 federal election

Prior to the federal election on Saturday 3 May 2025, PM&C supported the Prime Minister to provide advice to the Governor-General on the date of the election and on recommending the proroguing of the parliament and dissolution of the House of Representatives. During the election period, PM&C provided advice to Commonwealth departments on the continuation of government and administrative activities during the caretaker period, consistent with the Guidance on Caretaker Conventions, and monitored election commitments. Once the election outcome was known, PM&C provided advice to the returning Prime Minister on implementing the government's second-term agenda and the establishment of the Second Albanese Ministry. In addition, the department provided advice on, and supported implementation of, machinery-of-government changes made under the Administrative Arrangements Order of 13 May 2025.

Portfolio structure

As at 30 June 2025, the following entities were part of the Prime Minister and Cabinet portfolio. Each entity has its own purpose and reports on performance in its own annual report.

Department of state

- Department of the Prime Minister and Cabinet

Non-corporate Commonwealth entities under the PGPA Act

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

Corporate Commonwealth entities under the PGPA Act

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

Offices of statutory office holders

- Office of Township Leasing
- Office of the Aboriginal Land Commissioner
- Office of the Merit Protection Commissioner
- Office of the Registrar of Indigenous Corporations

Our purpose

The department's purpose is to support the Prime Minister, the Cabinet and our portfolio ministers to improve the lives of all Australians, including through coordination of government activities and effective advice.

Our role

PM&C plays a central role within the Australian Public Service (APS) in our support to the government. As the lead department for the APS, we take a whole-of-government and whole-of-nation approach, working with stakeholders to improve the lives of all Australians, advance Australia's interests, and keep our country safe and prosperous.

To perform this crucial work, we:

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

Accountable authority

Table 1.1 provides details of PM&C’s accountable authority during the reporting period.

Table 1.1: Details of accountable authority during 2024–25

Name	Position	Period as accountable authority within the reporting period Start date (1 July 2024 or after)	Period as accountable authority within the reporting period End date (30 June 2025 or before)
Glyn Davis	Secretary	01/07/2024	15/06/2025
Martin Hehir	Acting Secretary	17/07/2024	24/07/2024
Nadine Williams	Acting Secretary	23/09/2024	23/09/2024
Martin Hehir	Acting Secretary	15/11/2024	21/11/2024
Nadine Williams	Acting Secretary	20/12/2024	03/01/2025
Martin Hehir	Acting Secretary	04/01/2025	09/01/2025
Martin Hehir	Acting Secretary	19/01/2025	25/01/2025
Martin Hehir	Acting Secretary	17/05/2025	01/06/2025
Steven Kennedy	Secretary	16/06/2025	30/06/2025

Outcome and program

In achieving PM&C's purpose for 2024–25, we worked to deliver against the key priorities outlined in the Portfolio Budget Statements 2024–25 and Portfolio Additional Estimates Statements 2024–25 (see Table 1.2). Our Corporate Plan 2024–25 outlined how these key priorities would be achieved and how achievement and success would be measured.

Table 1.2: Purpose, outcome and program, 2024–25

Purpose ^a	Outcome 1 ^b	Program 1.1 ^b
To provide support to the Prime Minister, the Cabinet and our portfolio ministers to improve the lives of all Australians, including through coordination of government activities and effective advice	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

a From PM&C's Corporate Plan 2024–25.

b From the Prime Minister and Cabinet Portfolio Budget Statements 2024–25.

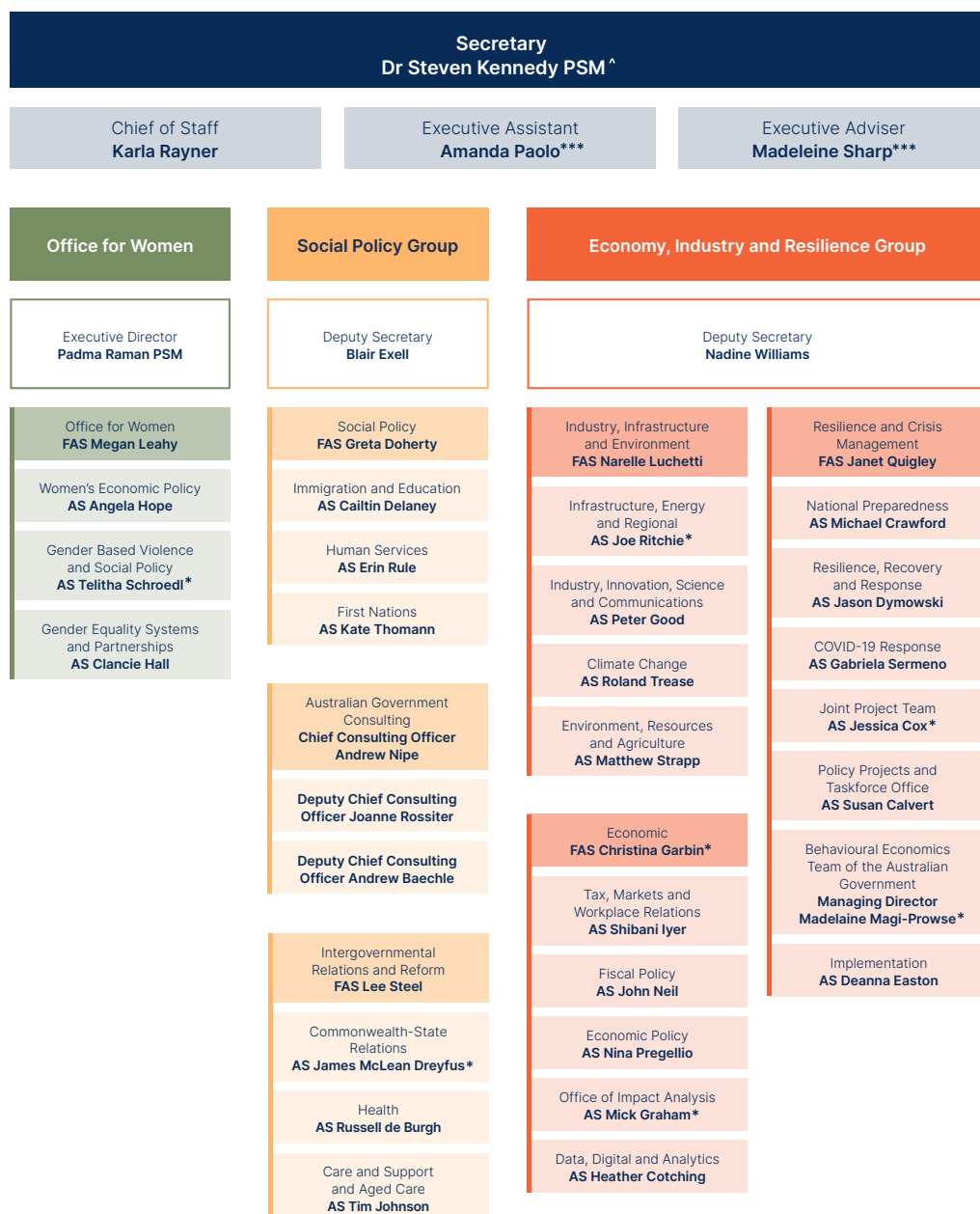
Our structure

As at 30 June 2025, PM&C consisted of the:

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

Our organisational structure is shown in Figure 1.1.

Figure 1.1: PM&C organisational chart, at 30 June 2025



* Acting arrangement | ** Job sharing arrangement | *** Non-SES position

AS = Assistant Secretary | FAS = First Assistant Secretary | ^ Statutory appointment

International and Security Group

Deputy Secretary
Graham Fletcher

National Security
FAS Kendra Morony

Defence and Intelligence
AS Cameron Heath

Domestic Security
AS Andrew Rose

International
FAS Pablo Kang

Global Interests
AS Dave Titheridge

Asia
AS Michael Kachel

Pacific
AS Bill Costello

Defence and Veterans'
Services Commission
(Interim)

Head of Defence and Veterans'
Services Commission (Interim)
Michael Manthorpe PSM

Corporate and Enabling
FAS Lisa Pulko

AS Frances Finney PSM

Quad, AUKUS and
Naval Shipbuilding
FAS Luke McGowan*

Quad and AUKUS Policy
AS Alexandra Stevenson

Naval Shipbuilding and
Nuclear Powered
Submarines
AS Peter Maguire*

Multilateral Economic
Engagement
**FAS Lisa Elliston
(G20 Sherpa)**

**AS Ian South
(G20 Sous Sherpa)**

Royal Commission into
Defence and Veteran Suicide
Implementation Taskforce

Head of the
Implementation Taskforce
Tony Sheehan

Deputy Head of the
Implementation Taskforce
FAS Laura Angus

AS Simon Hill

AS Quyen Tran

Governance and Corporate Group

Deputy Secretary and Chief Operating Officer
Martin Hehir PSM

Government
FAS Andrew Walter

Legal Policy
AS Katy Lin

Parliamentary
and Government
AS David Belgrove

PLO – Senate
AS Mark McCormack*

PLO – House of
Representatives
Vacant

Cabinet
FAS Pauline Sullivan

Cabinet Secretariat
AS Mat Stephenson*

Cabinet Governance and
National Security
AS Branko Ananijevski

FAS Tanja Cvijanovic

Digital, Security and
Workplace Operations
FAS Justin Keefe

Digital Strategy and
Architecture
AS Marnie Fraser

Digital Delivery
AS Jane Hill

Business Services
AS Samantha Portelli

Corporate
FAS Cristy England*

People
Chief People Officer
Leonie Graham*

Finance
Chief Financial Officer
Amanda Cross*

Governance, Performance
and Audit
**AS/Head of Internal Audit
Liz Caelli***

Ministerial Support
FAS Arthur Spyrou

Ministerial and
Parliamentary Support
AS Ben Keily

Protocol and
International Visits
AS Alison Green

Communications
AS Leonie Kolmar

Office for Women

The **Office for Women** (OFW) supports the Prime Minister, Minister for Women and Assistant Minister for Women to advance the Australian Government's commitment to drive gender equality for the benefit of all Australians and to improve the lives of women.

The OFW is responsible for supporting the Minister for Women to oversee whole-of-government implementation of Australia's first gender equality strategy, *Working for Women: A Strategy for Gender Equality* (Working for Women). Working for Women sets out a path to advance gender equality over the next 10 years, with a focus on 5 priority areas. The OFW drives implementation of Working for Women by providing leadership and policy expertise, including through gender responsive budgeting, to support gender equality informed policy development and delivery of government priorities.

The OFW monitors progress by engaging across government and with experts, facilitating regular whole-of-government, intergovernmental and strategic governance forums, and through public reporting. This reporting includes delivery of the annual Status of Women Report Card, supporting the Women's Budget Statement, and gender equality reporting in this annual report (see Part 3). The OFW leads Australia's engagement with multilateral gender equality fora, including the United Nations Commission on the Status of Women and the Committee on the Elimination of Discrimination against Women.

Social Policy Group

The Social Policy Group supports the Prime Minister, the Cabinet and the Australian Government to deliver priority actions in the key areas of health, aged care, human services, education, employment, migration, veterans' services, disability, First Nations policy, and the care and support economy. The group leads the engagement between the Commonwealth and the states and territories, including through National Cabinet and its underpinning governance architecture, on a broad range of matters across social, economic, industry and national security policy as well as governance coordination.

The group includes the following areas.

The **Social Policy Division** supports work on the core social policy issues across First Nations policy, human services, education and immigration, with key reform areas covering schools, universities, child care, disability, migration, employment services, and work to support the National Agreement on Closing the Gap.

The **Intergovernmental Relations and Reform Division** provides strategic advice to the Prime Minister and government on policy priorities requiring collaboration between the Commonwealth and state and territory governments, and is responsible for the operation of National Cabinet, including supporting officials-level meetings of first ministers' departments. The division supports work related to the health and aged care portfolio and stewards the coordinated implementation of policy and program reforms to the care and support economy.

Australian Government Consulting (AGC) is an in-house consulting function run by the APS for the APS, established as part of the government's agenda to reduce reliance on external consultants. AGC works with APS agencies to solve strategy, policy and organisational performance challenges, and aims to reduce spending on external labour and reliance on external consultants, including through building APS capability.

Economy, Industry and Resilience Group

The Economy, Industry and Resilience Group supports the Prime Minister, the Cabinet and the Australian Government to deliver priority actions in the areas of macroeconomic, tax and fiscal policy, industry, infrastructure arts and communications, agriculture and the environment, and resilience and crisis management. The group supports budget processes, and implementation and delivery of government priorities, and delivers whole-of-government support for behavioural economics and impact analysis.

The group includes the following areas.

The **Industry, Infrastructure and Environment Division** provides support and advice to the Prime Minister and Cabinet on the economic transformation towards a net zero economy and delivery of Australia's Future Made in Australia objectives. The division advises on a diverse range of matters in the environment, water, resources, agriculture, fisheries and forestry; science, industry, communications, and arts; and energy, infrastructure, transport, and regional development portfolios.

The **Resilience and Crisis Management Division** provides support and advice to the Prime Minister and the Cabinet through whole-of-government coordination of emergency management and national resilience, working closely with the National Emergency Management Agency, the Department of Home Affairs and the Department of Defence. The division includes Strategy and Delivery, which supports priority setting, strategic planning and delivery risk management, and the Behavioural Economics Team of the Australian Government (BETA), which generates and applies evidence from the behavioural and social sciences to find solutions to complex policy problems.

The **Economic Division** provides support and advice to the Prime Minister and the Cabinet on issues impacting the Australian economy, including macroeconomic indicators, housing, workplace relations, tax, regulation, trade, and foreign investment settings. The division leads PM&C's engagement in budget processes and includes the Office of Impact Analysis, which is responsible for administering the government's Policy Impact Analysis Framework.

International and Security Group

The International and Security Group supports the advancement of Australia's foreign policy and national security interests, including protecting our territory and institutions, to support a safe, united and prosperous Australia. This includes providing advice to assist the Prime Minister and the Cabinet's consideration of policy matters, and whole-of-government coordination, in an increasingly uncertain global environment.

The group includes the following areas.

The **International Division** supports the Prime Minister's engagement with foreign leaders, and shapes and coordinates a wide range of foreign policy objectives to strengthen Australia's global influence and regional partnerships. The division provides advice to the Prime Minister on foreign, trade, and international development policy. The division works closely with external agencies such as the Department of Foreign Affairs and Trade, the Department of Defence, Treasury, and the Department of Home Affairs, and engages with international partners, multilateral institutions and non-government stakeholders to support the Prime Minister in advancing Australia's foreign policy interests.

The **Multilateral Economic Engagement Division** provides advice to the Prime Minister on Australia's multilateral economic engagement, with a focus on the Group of Twenty (G20) and G7, Asia-Pacific Economic Cooperation (APEC) and multilateral trade. The division leads PM&C's engagement on economic security policy, coordinating and prioritising outcomes across government at the intersection of economic and national security policy. The division works to strategically prioritise issues in a way that best leverages the multilateral architecture for Australia's national interests, and to build relationships in a way that advances Australia's engagement in a global system that is under pressure.

The **National Security Division** serves as a nexus for Australia's national security and defence community, providing oversight and aligning policy across the defence, intelligence and domestic security functions of government. The division advises the Prime Minister on national security priorities, including defence policy and capability, countering foreign interference and violent extremism, critical infrastructure and cybersecurity, border security, and intelligence policy and oversight. Additionally, the division contributes a security perspective to other government priorities (such as clean energy transformation, economic security and social cohesion) and works closely with agencies such as the Department of Home Affairs, the Department of Defence and the national security community.

The **Quad, AUKUS and Naval Shipbuilding Division**, which concluded on 30 June 2025, was responsible for leading Australia's engagement in 2 significant leader-level initiatives – the Quad and AUKUS partnerships. Through its work, the division ensured Australia's involvement in the Quad – a diplomatic partnership between Australia, India, Japan and the United States – contributed to partners' shared vision for an open, stable and prosperous Indo-Pacific. The division led whole-of-government engagement in AUKUS, including Australia's acquisition of conventionally-armed, nuclear-powered submarines, and broader naval shipbuilding. Functions relating to AUKUS and Naval Shipbuilding have moved into National Security Division, while the Quad functions have moved into International Division.

The **Royal Commission into Defence and Veteran Suicide Implementation Taskforce** provides advice to government on the implementation of the government response to the Royal Commission into Defence and Veteran Suicide.

The **Interim Head of the Defence and Veterans' Services Commission** advises government on the establishment of a new, independent non-corporate Commonwealth entity to be known as the Defence and Veterans' Services Commission (DVSC). The establishment of the DVSC (on 29 September 2025) fulfilled an election commitment and implemented the government's agreed response to Recommendation 122 of the Royal Commission into Defence and Veteran Suicide.

Governance and Corporate Group

The Governance and Corporate Group supports the ongoing business of the government by providing support services to the Prime Minister, the Cabinet and Cabinet committees, portfolio ministers and the Governor-General.

The group includes the following areas.

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. The division coordinates and supports all meetings of the Federal Executive Council.

The **Corporate Division** provides a broad range of services to the department and shared corporate services for the portfolio. It is responsible for the department's people services, finance, and governance, performance, audit and risk management.

The **Digital, Security and Workplace Operations Division** provides a range of services to the department and shared services for the portfolio. It is responsible for services including information and communications technology (including cybersecurity), security, business continuity, and property and facilities management.

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

The **Ministerial Support Division** is responsible for support arrangements for the Prime Minister, portfolio ministers and their offices, as well as the management of the official residences. 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.



Part 2

Annual performance statements





Statement of preparation

I, Steven Kennedy, as the Accountable Authority of the Department of the Prime Minister and Cabinet (PM&C), present the department's annual performance statements for 2024–25, 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 (PGPA Rule).

In my opinion, the annual performance statements accurately reflect the performance of the department for 2024–25 and comply with subsection 39(2) of the PGPA Act.

In accordance with section 16F of the PGPA Rule, these statements report on our performance in the year ended 30 June 2025, assessed against the purpose, key activities and performance measures relevant to the department published in:

- The Department of the Prime Minister and Cabinet Corporate Plan 2024–25
- Portfolio Budget Statements 2024–25 – the Department of the Prime Minister and Cabinet.



Dr Steven Kennedy PSM
Secretary

7 October 2025

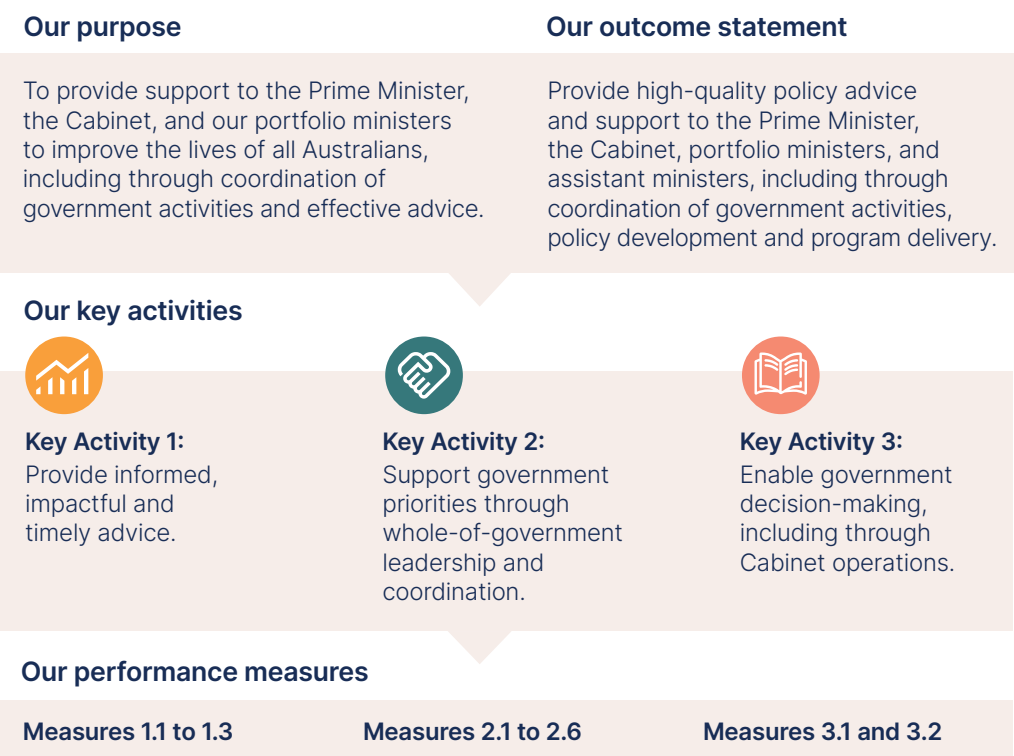
Performance reporting framework

The 2024–25 annual performance statements of the Department of the Prime Minister and Cabinet (PM&C) report on the department’s performance for the period from 1 July 2024 to 30 June 2025. They provide an assessment of performance against the key activities, performance measures and targets in the PM&C Corporate Plan 2024–25.

We are committed to continuously improving the quality of our performance reporting to the public and the parliament. The Australian National Audit Office audited the department’s 2024–25 annual performance statements. We will continue to mature our reporting during 2025–26.

Figure 2.1 demonstrates how our key activities and performance measures map to our purpose as published in the PM&C Corporate Plan 2024–25, and our outcome as set out in the Prime Minister and Cabinet Portfolio Budget Statements 2024–25.

Figure 2.1: PM&C’s performance reporting framework, 2024–25



Overview of performance results

Our performance results are summarised in Table 2.1. In 2024–25, of the 11 performance measures in the corporate plan, we achieved the targets for 6 measures and substantially achieved the target for 5 measures. There were no measures for which the target was not achieved.

Table 2.1: Performance results summary, 2024–25

Result	Key Activity 1	Key Activity 2	Key Activity 3	Total
Achieved	1	3	2	6
Substantially achieved	2	3	–	5
Not achieved	–	–	–	–
Total	3	6	2	11

The Corporate Plan 2024–25 outlined the definitions we would use to calculate our performance results for 2024–25. In order to more accurately report on the achievement of our performance measures, we have amended these definitions as outlined in Table 2.2.

Table 2.2: Performance results assessment scale

Original assessment scale (published in Corporate Plan 2024–25)	Assessment scale used in calculating results for the 2024–25 annual performance statements
Achieved = 75% or greater	Achieved = 100%
Partially achieved = 51% to 74%	Substantially achieved = 51% to 99%
Not achieved = 50% or less	Not achieved = 50% or less

Where a performance measure relies on more than one element – including more than one target – we will determine whether we have achieved the performance measure by reference to the number of elements met¹:

- 100% of elements met equates to the performance measure being achieved.
- Less than 100% but greater than 50% of elements met equates to the performance measure being substantially achieved.
- Equal to or less than 50% of elements met equates to the performance measure not being achieved.

¹ This replaces the assessment scale for composite measures set out on page 33 of the Corporate Plan 2024–25.

Overview of activities by group

In 2024–25, each group within PM&C made a positive contribution to our purpose to provide support to the Prime Minister, the Cabinet, and our portfolio ministers to improve the lives of all Australians, including through coordination of government activities and effective advice.

Office for Women

In 2024–25, the Office for Women (OFW) worked with the Workplace Gender Equality Agency to support the Minister for Women with the development of, and consultation on, legislation to introduce a world-first targets scheme to accelerate action on gender equality by large Australian employers. The *Workplace Gender Equality Amendment (Setting Gender Equality Targets) Act 2025* requires organisations with 500 or more employees in Australia to commit to achieve measurable targets to progress gender equality in their workplaces. The scheme will encourage further employer-level action to close the gender pay gap and assist employees to make more informed choices about where they work.

The OFW supported whole-of-government coordination and delivery on ending gender-based violence, working with the Department of Social Services as stewards of the National Plan to End Violence against Women and Children 2022–2032. In September 2024, the OFW supported National Cabinet to accelerate action to end gender-based violence. This included measures to increase funding for frontline services, to support children and young people affected by gendered violence to recover, men's behaviour change programs, and efforts to address the role that systems and industries play in exacerbating violence. These measures built on the priority reform areas agreed at the National Cabinet meeting on 1 May 2024, and the findings in the final report of the Rapid Review of Prevention Approaches Expert Panel, *Unlocking the Prevention Potential*, for which the OFW provided policy and secretariat support.

The OFW continued to prioritise engaging women from diverse backgrounds to inform policymaking and program delivery. In December 2024, it established the refocused National Women's Alliances, bringing together 5 civil society organisations to work collaboratively to develop solutions to address the issues impacting women in Australia.

The OFW established the Working for Women Research Partnership in March 2025, to contribute to the evidence base on what works to achieve gender equality. This research partnership will draw on women's experiences to identify practical and actionable solutions for government, industry and community to improve gender equality, with a focus on improving women's economic equality.

Social Policy Group

In 2024–25, the group supported the government's First Nations economic empowerment agenda, including the Department of the Treasury-led development of the First Nations Economic Partnership agreement, which was negotiated in partnership with the Coalition of Peaks and First Nations Economic Empowerment Alliance.

A key priority for the group in 2024–25 was supporting government consideration of wage increases for early childhood education and care (ECEC) workers, including supporting consideration of funding and implementation of the ECEC Worker Retention Payment to deliver a 15% pay rise for workers over 2 years from December 2024.

The group supported the finalisation of the Better and Fairer Schools Agreement – Full and Fair Funding 2025–2034, increasing the Commonwealth contribution to the Schooling Resource Standard to put government schools on a pathway to 100% of funding over the life of the agreement.

The group continued to support once-in-a-generation aged care reforms to ensure aged care services of the future are sustainable and equitable, and enhance older Australians' autonomy and quality of life. This included supporting parliamentary passage of the *Aged Care Act 2024*, which enables implementation of the new Support at Home program and responds to recommendations of the Royal Commission into Aged Care Quality and Safety by embedding a person-centred approach to aged care services.

In 2024–25, the group supported National Cabinet to strengthen efforts in tackling antisemitism, to protect young people by agreeing an age limit for access to social media, and to accelerate action to end gender-based violence in a generation and deliver on the National Plan to End Violence against Women and Children 2022–2032. The group continued to support progress against earlier National Cabinet decisions, including strengthening the health system and ongoing reform of the National Disability Insurance Scheme (NDIS).

Additionally, the group continued its work to boost whole-of-government engagement and capability through the Commonwealth–State Relations Community of Practice. Events in 2024–25 covered a range of cross-cutting national matters such as embedding priority reforms through the National Agreement on Closing the Gap, guidance on developing Federal Funding Agreements, ensuring gender is taken into consideration, and best practice for collaborating with jurisdictions from the perspective of state government colleagues. The diversity of agencies that attended and presented reflects strong APS-wide engagement and interest in the forum.

Economy, Industry and Resilience Group

In 2024–25, the group's focus continued to support the delivery of the government's agenda, including cost-of-living relief, housing supply, responses to natural disasters, the net zero transformation of the economy.

A key priority of the group in 2024–25 was supporting the government's Future Made in Australia agenda, to capture the opportunities of the net zero transformation and strengthen Australia's economic resilience and security. This included supporting a focus on attracting investment in key industries, making Australia a renewable energy superpower, strengthening Australia's supply chain resilience, and giving businesses, communities and individuals opportunities to benefit from the net zero transformation.

The group supported the government in response to significant domestic disasters and worked to ensure that national crisis management arrangements remain appropriate and fit for purpose. In addition, the group provided central coordination and governance across Australian Government agencies on national civil preparedness and supported Australia's response to international disasters.

In 2024–25, the group oversaw and hosted the Insurance Affordability and Natural Hazard Risk Reduction Taskforce. The cross-portfolio taskforce developed a whole-of-government view on how to minimise the impacts of disasters on the community and address rising insurance costs driven by more frequent and intense weather events.

The group continued to provide policy advice and support on the implementation of the government's \$43 billion Homes for Australia Plan, and supported the government in implementing its economic strategy, so that spending was well targeted, improved budget sustainability, and strengthened economic resilience. The group continued to oversee a rigorous impact analysis process for key government decisions.

International and Security Group

In 2024–25, the International Division supported a wide range of foreign policy objectives, including leading the government's response to the Foreign Affairs, Defence and Trade References Committee report: Inquiry into Australian support for Ukraine as well as the group supported the Prime Minister's attendance at leader-level events, including the Pacific Islands Forum Leaders' Meeting, the Quad Leaders' Summit, the East Asia Summit, and the Commonwealth Heads of Government Meeting. The division supported the Prime Minister to host a range of foreign counterparts, including leaders from Tuvalu, New Zealand, Qatar, Bhutan, Nauru, Czech Republic and Papua New Guinea.

The Multilateral Economic Engagement Division, along with the International Division, supported the Prime Minister's participation in the APEC Economic Leaders' Week in Lima, Peru, the G20 Leaders' Summit in Rio de Janeiro, Brazil, and the G7 Leaders' Summit in Kananaskis, Canada.

The National Security Division supported the public release of the reports of the 2024 Independent Intelligence Review, and the 2024 Independent Review of Commonwealth Funding for Strategic Policy Work (Varghese Review) and respective government responses. The division supported a suite of ongoing policy and defence capability initiatives, and the establishment of the Defence and Veterans' Services Commission (DVSC) and the Royal Commission into Defence and Veteran Suicide Implementation Taskforce, which is overseeing a whole-of-government approach to implementation of the government response to the Royal Commission into Defence and Veteran Suicide.

In January 2025, Mr Michael Manthorpe PSM was appointed as the Interim Head of the DVSC to lead on the establishment of the new statutory entity, to provide independent oversight and evidence-based advice to government on reforms to improve suicide prevention and wellbeing outcomes for serving and ex-serving Australian Defence Force members. In February 2025, the Australian Parliament passed legislation to establish the DVSC as a statutory oversight body to commence on 29 September 2025.

The Quad, AUKUS and Naval Shipbuilding Division implemented 2 key leader-level initiatives: the Quad and AUKUS.

In September 2024, AUKUS partners released a joint leaders' statement marking the third anniversary of the AUKUS partnership, outlining progress to date across AUKUS pillars I and II. Across both AUKUS and broader naval shipbuilding, the division worked with Defence and the Australian Submarine Agency to support the release of the new Naval Shipbuilding and Sustainment Plan in December 2024, and Australia's AUKUS Submarine Industry Strategy in March 2025.

In September 2024, at the Quad Leaders' Summit, leaders announced a range of new practical outcomes, including cooperation on reducing the lives lost to cancer in the Indo-Pacific, expansion of the Quad Indo-Pacific Partnership for Maritime Domain Awareness, the Indo-Pacific Logistics Network pilot, and Quad Coast Guard cooperation.

Governance and Corporate Group

In 2024–25, the Governance and Corporate Group delivered internal corporate and enabling services to the department and played a central role in delivering the Prime Minister's priorities and supporting effective public administration including through the operations of Cabinet and its committees. The group managed appointments for key office holders and the delivery of processes and advice on the federal election.

In collaboration with stakeholders, the group supported the delivery of the Prime Minister's international visits and a number of significant Guest of Government visits, including the royal visit to Australia by Their Majesties King Charles III and Queen Camilla from 18-23 October 2024.

The group continued to support Australia's national honours. On 26 January 2025, the Governor-General announced the Australia Day 2025 Honours List, with over 700 Australians honoured for their contribution to society. The group prepared correspondence to honours recipients on behalf of portfolio ministers, information to federal parliamentarians, and delivered the Australian of the Year Finalist Morning Tea. A further 830 honours recipients were recognised in the King's Birthday Honours List announced by the Governor-General on 9 June 2025.



Key Activity 1: Provide informed, impactful 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 informed, impactful and timely advice. It is important that this advice is supported by data, takes a whole-of-government and whole-of-nation perspective, and incorporates the views of a diverse range of stakeholders. We evaluate this activity by measuring the extent to which our stakeholders are satisfied with our efforts, and the timeliness of our advice.

Effective collaboration, communication and engagement are an essential aspect of the work we do at PM&C. As the key adviser to the Prime Minister, the Cabinet and our portfolio ministers, it is important we support their timely engagement with stakeholders, and provide 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.

During 2024–25, we provided advice on a range of topics, including in relation to government policy on national security, climate change and gender equality, to various stakeholders. Prior to the federal election on Saturday 3 May 2025, PM&C supported the Prime Minister to provide advice to the Governor-General on the date of the election and recommending the proroguing of the parliament and dissolution of the House of Representatives. During the election period, PM&C provided advice to Commonwealth departments on the continuation of government and administrative activities during the caretaker period, consistent with the Guidance on Caretaker Conventions, and monitored election commitments. Once the election outcome was known, PM&C provided support to the returning government in the establishment of the second Albanese ministry, and effected machinery-of-government changes made under the Administrative Arrangements Order of 13 May 2025.

PM&C provided policy advice to the Prime Minister on the operation of the Australian honours system. Advice was provided to stakeholders on the correct use of the Australian national flag and other official flags of Australia, as well as the Australian national symbols.

Performance measure 1.1:

Percentage of key stakeholders that are satisfied with PM&C’s advice

Target	2024–25 result	2023–24 result ²
77% satisfied	Achieved 81% satisfied	Achieved 83% satisfied

Data source / methodology

Data collected and reported by PM&C’s independent annual stakeholder survey.³

Source

- Portfolio Budget Statements 2024–25, Outcome 1, Program 1.1
- Corporate Plan 2024–25, page 24

Analysis

To effectively support the Prime Minister, the Cabinet and portfolio ministers, it is important we provide decision-makers with advice that is informed, impactful and timely.

The department conducts an annual stakeholder satisfaction survey to assess the levels of satisfaction with the advice provided by the department to our stakeholders. The survey assessed the effectiveness of our advice by asking stakeholders whether information provided was supported by adequate evidence, took a whole-of-government perspective, considered the views of relevant stakeholders and experts, and added value in informed decision-making. The survey assessed the efficiency of our advice by asking stakeholders whether our advice was provided in a timely manner and whether we were responsive to requests for advice.

Overall, a satisfaction rating of 81% was achieved. The overall result has been calculated by applying an equal weighting to the overall effectiveness index of 81% and an overall efficiency index of 81%.

2 In PM&C’s Annual Report 2023–24, performance measure 1 was ‘Percentage of ministers, ministerial and non-ministerial stakeholders satisfied with the effectiveness, timeliness and responsiveness of advice received’.

3 See pages 55–58 for information on the stakeholder survey.

This result represents a slight decrease in stakeholder satisfaction of 2 percentage points on the previous year’s result. In response to what the department had done well, stakeholders indicated considering a whole-of-government perspective in advice, stakeholder engagement and responsiveness. Areas for improvement indicated by some stakeholders included early and broad consultation, leadership and timeliness of advice for providing input. This feedback will be considered by the department.

Performance measure 1.2:
Percentage of ministerial briefs provided within agreed timeframes

Target	2024–25 result	2023–24 result
80%	Substantially achieved 71% of ministerial briefs were provided within agreed timeframes, with a further 21% of ministerial briefs provided within 24 hours of the lapsed date. Overall, 92% of ministerial briefs were provided within 24 hours of the due date.	Partially achieved 62% of ministerial briefs were provided within agreed timeframes, with a further 31% of ministerial briefs provided within 24 hours of the lapsed date. Overall, 93% of ministerial briefs were provided within 24 hours of the due date.

Data source / methodology

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

Source

- Portfolio Budget Statements 2024–25, Outcome 1, Program 1.1
- Corporate Plan 2024–25, page 25

Analysis

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

This measure has been substantially achieved, with 71% of briefs provided within agreed timeframes, an increase of 9 percentage points from 2023–24. Overall, 92% of briefs that were initiated by ministerial offices were either provided on target or within 24 hours of the target deadline. Submission rates for ministerial briefs were as follows:

- 71% of ministerial briefs were provided within the agreed timeframe
- 21% of ministerial briefs were provided within 24 hours after the agreed timeframe
- 8% of ministerial briefs were provided more than 24 hours after the agreed timeframe.

As part of monitoring the timeliness of briefs and correspondence, daily reports are produced to track the progress of these items. In addition, regular reports are produced on overdue items and items with an upcoming due date to assist divisions in tracking their ministerial briefs and correspondence. A range of activities were undertaken in 2023–24 to highlight the importance of timeliness, which may have contributed to the improved result for 2024–25. We will continue to monitor timeframes and work with staff and stakeholders to address shortfalls with a view to continuing to improve performance.

Performance measure 1.3:

Percentage of incoming ministerial correspondence triaged and assigned for appropriate action within 5 working days

Target	2024–25 result	2023–24 result ⁴
95%	Substantially achieved 84% of incoming ministerial correspondence was triaged and assigned for appropriate action within 5 working days.	Partially achieved 77% of incoming ministerial correspondence was triaged and assigned for appropriate action within 5 business days.

Data source / methodology

Data collected via the Parliamentary Document Management System (PDMS). Number of pieces of correspondence triaged and assigned for appropriate action within the reporting period.

Source

- Portfolio Budget Statements 2024–25, Outcome 1, Program 1.1
- Corporate Plan 2024–25, page 25

⁴ This was performance measure 10 in PM&C’s Annual Report 2023–24.

Analysis

Ministerial correspondence includes correspondence to the Prime Minister, from heads of government and heads of state, members of parliament, organisations or members of the public. Managing this correspondence is one of the primary ways we support the Prime Minister to engage with the Australian community. It is important we triage all correspondence, consider response options, and assign correspondence for appropriate action as efficiently as possible.

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

For the period 1 July 2024 to 30 June 2025, PM&C received and triaged 154,248 items of correspondence,⁵ compared to 144,506 items of correspondence in 2023–24. Of these items, 84% (129,940) were triaged and assigned for appropriate action within the timeframe of 5 working days, and the measure is considered to be substantially achieved. The amount of correspondence sent to the Prime Minister and portfolio ministers can fluctuate during the reporting period and can be influenced by factors such as local or global events. The department monitors trending themes of the unprocessed queue of correspondence daily, and, where appropriate, staff can be reassigned to assist with handling surges in correspondence.

⁵ This number excludes an additional 4,371 campaign postcards as they were registered and batched thematically.



Key Activity 2:

Support government priorities through whole-of-government leadership and coordination

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

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

Taskforces are an important mechanism through which we support the Prime Minister, Cabinet or senior ministers with policy advice, coordination and implementation capability. Taskforces are often triggered by ministerial announcements in the form of a commitment, royal commission recommendations, major government initiatives that span multiple portfolios, independent whole-of-government reviews, urgent priorities emerging from national or international crises, and delivery of high-profile events, forums or summits involving cross-government and external stakeholders.

During 2024–25,⁶ PM&C had in place a number of taskforces, including taskforces to support the 2024 Independent Intelligence Review and the Independent Review of Commonwealth Funding for Strategic Policy Work (Varghese Review), as well as the Rapid Review of Prevention Approaches Taskforce; the Jenkins Report Implementation Team; the COVID-19 Response Inquiry Taskforce; the Insurance Affordability and Natural Hazard Risk Reduction Taskforce; the Delivery of Legislation Taskforce; the Royal Commission into Defence and Veteran Suicide Implementation Taskforce; and the interim Defence and Veterans' Services Commission.

⁶ Includes taskforces that commenced or concluded during the reporting period.

In February 2024, PM&C launched the Independent Review of Commonwealth Funding for Strategic Policy Work, to be led by Mr Peter Varghese AO. The review assessed all Australian Government funding to non-government organisations for national security-related research, education and engagement activities. The review was completed in July 2024, and of the 14 recommendations included in the report, the government agreed to 8 in full, agreed to 3 in principle and noted 3 recommendations.

The department supported the government's agenda to reduce reliance on external consultants. In 2024-25, Australian Government Consulting delivered 19 projects for 12 APS agencies, and displaced an estimated \$5.9 million in external consulting spend. Projects included improving the delivery of self-employment assistance to Australians (with the Department of Employment and Workplace Relations), reducing the risks associated with medical product shortages (with the Department of Health, Disability and Ageing, the Department of Industry, Science and Resources and the Department of the Treasury), and improving the trade and investment environment for Australian business with one of Australia's key bilateral partners through the design of an accelerator fund (with the Department of Foreign Affairs and Trade).

We evaluate this key activity by measuring the extent to which stakeholders are satisfied with the level of coordination and support we provide for the delivery of government priorities, as well as for international engagements.

Performance measure 2.1:

Percentage of key stakeholders satisfied with the coordination and support provided by PM&C in the delivery of government priorities

Target	2024–25 result	2023–24 result
77% satisfied	Substantially achieved 67% satisfied	Not applicable New measure for 2024–25 ⁷

Data source / methodology

Data collected and reported by PM&C’s independent annual stakeholder survey.⁸

Source

- Portfolio Budget Statements 2024–25, Outcome 1, Program 1.1
- Corporate Plan 2024–25, page 26

Analysis

A core aspect of our role is to collaborate and support the APS to deliver key government priorities. We do this by utilising a range of mechanisms including our convening, collaboration and problem-solving expertise, together with our understanding of government priorities and processes.

PM&C conducts an annual external stakeholder satisfaction survey to assess the level of satisfaction with our coordination and support in the delivery of government priorities. The survey assessed the effectiveness of our coordination and support in the delivery of government priorities by asking our ministers and ministerial office stakeholders whether they were satisfied with our understanding of government priorities, the level of support provided, the value of our contribution, and efficiency of our support by our timeliness and responsiveness. Non-ministerial stakeholders’ satisfaction with our effectiveness was assessed through their satisfaction with our coordination and support, and with our understanding of government priorities and processes, with efficiency assessed through satisfaction with our timeliness.

Overall, a satisfaction rating of 67% was achieved. The overall result has been calculated by applying an equal weighting to the overall effectiveness index of 64% and an overall efficiency index of 70%.

⁷ Performance measures 3 and 4 from PM&C’s Annual Report 2023–24 were combined to create the new measure for 2024–25.

⁸ See pages 55–58 for information on the stakeholder survey.

The result is 10 percentage points below the target, resulting in this measure being substantially achieved. Two of our 3 stakeholder groups were highly satisfied with our coordination and support, with one stakeholder group having a mix of positive, negative and neutral responses. Neutral responses – that is, neither satisfied nor dissatisfied – do not count towards the stakeholder satisfaction rating (see pages 55–58 for more information about the survey methodology). When asked what PM&C did well in relation to the support provided to deliver on government priorities, key strengths identified by respondents included our advice, responsiveness, and stakeholder engagement. Stakeholders identified areas of improvement including leadership, communication and early consultation. These improvements will be considered by the department over the next 12 months.

Performance measure 2.2:
Percentage of key stakeholders satisfied with the coordination and support provided for international engagements

Target	2024–25 result	2023–24 result
77% satisfied	Substantially achieved 64% satisfied	Not applicable New measure for 2024–25 ⁹

Data source / methodology

Data collected and reported by PM&C’s independent annual stakeholder survey.¹⁰

Source

- Portfolio Budget Statements 2024–25, Outcome 1, Program 1.1
- Corporate Plan 2024–25, page 27

9 In PM&C’s Annual Report 2023–24, performance measure 8 was ‘Percentage of ministers, ministerial and non-ministerial stakeholders satisfied with PM&C’s coordination and support for international engagements undertaken by the Minister for Women and by other key parties supported by the Office for Women’. Performance measure 9 was ‘Percentage of ministers, ministerial and non-ministerial stakeholders satisfied with the coordination and support provided by PM&C for the Prime Minister’s international engagements’.

10 See pages 55–58 for information on the stakeholder survey.

Analysis

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 key forums.

PM&C conducts an annual external stakeholder satisfaction survey to assess the level of satisfaction with our coordination and support for international engagements. The survey assessed the effectiveness of our coordination and support provided for international engagements by asking our ministers and ministerial office stakeholders whether they were satisfied with the level of support provided and the value of our contribution, and the efficiency of our support by our timeliness and responsiveness. Non-ministerial stakeholders' satisfaction with our effectiveness was assessed through their satisfaction with our coordination and support, with efficiency assessed through satisfaction with our timeliness.

Overall, a satisfaction rating of 64% was achieved. The overall result has been calculated by applying an equal weighting to the overall effectiveness index of 90% and an overall efficiency index of 38%. Only 2 stakeholder groups provided in-scope responses to these questions. The responses of one stakeholder group indicated that they were satisfied with the effectiveness of our support, but were neither satisfied nor dissatisfied with our timeliness, resulting in an efficiency index of 38%. Neutral responses – that is, neither satisfied nor dissatisfied – do not count towards the stakeholder satisfaction rating (see pages 55–58 for more information about the survey methodology).

When asked what PM&C did well in relation to the coordination and support provided for international engagements, stakeholders pointed to our whole-of-government coordination, communication and stakeholder engagement. Areas identified by stakeholders for improvement included timeliness, feedback and post-engagement communication, and early consultation.

Performance measure 2.3:

PM&C’s coordination and reporting arrangements are effective in driving successful implementation of the government’s *Working for Women: A Strategy for Gender Equality*

Target	2024–25 result	2023–24 result
Publication of baseline data report	Achieved	Not applicable New measure for 2024–25

Data source / methodology

Departmental records.

Source

- Portfolio Budget Statements 2024–25, Outcome 1, Program 1.1
- Corporate Plan 2024–25, page 27

Analysis

Working for Women: A Strategy for Gender Equality (Working for Women) outlines the Australian Government’s vision for gender equality in Australia, where people are safe, treated with respect, have choices, and have access to resources and equal outcomes regardless of their gender. Successful implementation of Working for Women requires all government departments and agencies acting under the priority areas identified by Working for Women, to consider gender equality impacts in their activities.

This measure is assessed as being achieved, with the Working for Women Baseline Report published on 1 November 2024. This report provides the sources and reference points for each indicator and measure listed in the Working for Women reporting framework and provides the baseline data for future reporting at the 5-year and 10-year points.¹¹

As the implementation of Working for Women evolved during the reporting period, an additional 2 key metrics were included to assess our performance and provide more insight as to the work being undertaken to support the implementation of Working for Women. These were publication of the Status of Women Report Card annually, and contribution to the Women’s Budget Statement each budget cycle.

¹¹ The 5-year review will be done in 2029, and the 10-year review in 2034.

The Status of Women Report Card was published on 8 March 2025, coinciding with International Women's Day. The report card outlines the most recent available data and analysis on the social and economic equality issues facing women and girls in Australia. The report card is one of the mechanisms used to monitor and publicly report on Working for Women. The report card highlights:

- 37 women were killed by a current or former intimate partner in 2024.
- 68% of employers now offer paid parental leave, up from 48% in 2015–16.
- Women now hold 54.4% of all Australian Government board positions, up from 39.1% in 2015.
- On average, women do 32 hours of unpaid work and care a week, 9 hours more than men. On average, First Nations women undertake 11.5 hours per day caring for others and/or caring for Country and culture.
- Women are more likely to use healthcare services than men and are more likely to face higher healthcare costs over time.

The Women's Budget Statement (WBS) is a formal budget paper, and reports on progress in implementing Working for Women by highlighting government decisions and investments to achieve gender equality. The WBS is delivered in partnership with PM&C and the Department of the Treasury. To support the delivery of the WBS, a secondeed from the Office for Women within PM&C worked in the Treasury WBS Surge Team from 10 February to 28 March 2025 to produce WBS content and strategic narrative, coordinate 3 rounds of content review, and facilitate high-level clearance by the Minister for Women. In addition, PM&C played a key role in demonstrating how gender-responsive budgeting informs policy, by liaising with agencies to source case studies for inclusion in the WBS. The 2025–26 WBS was published as part of the federal budget papers on 25 March 2025.

As part of coordinating a whole-of-government approach to implementing Working for Women, during the reporting period, PM&C convened 5 meetings to bring together key departments and stakeholders to coordinate action, mitigate risks of duplication of effort and share information, including best practice and evidence to support action.

PM&C is leading work to implement a new requirement for reporting on gender equality outcomes through departments’ annual reports, as a means of demonstrating action undertaken under Working for Women. A pilot for this approach was conducted in 2024–25, involving 4 departments of state, including PM&C.

As part of the annual stakeholder survey, stakeholders who had worked with PM&C in relation to the implementation of Working for Women were asked to rate their satisfaction with our coordination arrangements for implementing Working for Women. Overall, a satisfaction rating of 89% was achieved. The overall result has been calculated by applying an equal weighting to the overall effectiveness index of 90% and an overall efficiency index of 88%. Stakeholders noted key strengths in this area included good collaboration and working relationships and responsiveness, with opportunities for improvement in communicating the future direction of Working for Women and ensuring advice is targeted and actionable.

Performance measure 2.4:

PM&C effectively supports Commonwealth–State relations

Target	2024–25 result	2023–24 result
77%	Achieved 83% satisfied	Not applicable New measure for 2024–25

Data source / methodology

Data collected and reported by PM&C’s independent annual stakeholder survey.¹²

Source

- Portfolio Budget Statements 2024–25, Outcome 1, Program 1.1
- Corporate Plan 2024–25, page 28

¹² See pages 55–58 for information on the stakeholder survey.

Analysis

Our support for effective and productive relationships between state, territory and Commonwealth governments are key to promoting policy reforms that are of national significance, and to ensuring government policies, programs and decisions are successfully aligned and implemented.

PM&C conducts an annual external stakeholder satisfaction survey to assess the level of satisfaction with our support for Commonwealth–State relations. The survey assessed the effectiveness of our support for Commonwealth–State relations by asking our ministers and ministerial office stakeholders whether they were satisfied with the level of support provided and the value of our contribution, and the efficiency of our support by our timeliness and responsiveness. Non-ministerial stakeholders' satisfaction with our effectiveness was assessed through their satisfaction with our collaboration and support, with efficiency assessed through satisfaction with our timeliness.

Overall, a satisfaction rating of 83% was achieved, resulting in the target being achieved. The overall result has been calculated by applying an equal weighting to the overall effectiveness index of 83% and an overall efficiency index of 84%.

When asked what PM&C had done well in relation to supporting Commonwealth–State relations, stakeholders pointed to timely support, engagement and advice provided. Stakeholders noted that PM&C could improve its support with earlier engagement and more transparent communication, having a stronger leadership role and enhancing the value of the advice provided – for example, by aligning it with government priorities.

Performance measure 2.5:
PM&C effectively supports Secretaries Board meetings

Target	2024–25 result	2023–24 result
To be baselined in year 1	Substantially achieved ¹³	Not applicable New measure for 2024–25

Data source / methodology

Departmental records.

Source

- Portfolio Budget Statements 2024–25, Outcome 1, Program 1.1
- Corporate Plan 2024–25, page 28

Analysis

The Secretaries Board was established under section 64 of the *Public Service Act 1999*. The Secretaries Board provides leadership to the APS as an integrated organisation with a shared vision and purpose. As head of the APS, the Secretary of PM&C is the chair of the Secretaries Board. The department provides secretariat support for this function.

We assessed the effectiveness of our support to the Secretaries Board against the following metrics, as outlined in the Secretaries Board Terms of Reference:

- forward work plan and action register maintained for 80% of meetings,
- 80% of meeting papers collated and distributed one week prior to a scheduled meeting, and
- 80% of meeting communiques published on the PM&C website within 3 days following each board meeting.

During the reporting period, 10 meetings of the Secretaries Board were held.¹⁴

The performance result against this measure has been assessed as substantially achieved, based on 2 of the 3 metrics being used to assess performance being achieved against a target of 80% and one metric not being achieved.

¹³ While a target had not been set for 2024–25, the measure was assessed as substantially achieved using the definitions for achievement for composite measures.

¹⁴ There was no meeting held in January 2025, and the April 2025 meeting was a strategy session and did not require papers to be circulated or a communiqué to be published and so was not counted in the number of meetings held.

The forward work plan and action register were maintained for all meetings held during the reporting period.¹⁵

For the reporting period, meeting papers were circulated to board members a week prior to the meeting for 6 of the 10 (60%) Secretaries Board meetings, resulting in this metric only being substantially achieved. Recognising the department’s dependence on receiving papers from multiple stakeholders, and allowing for flexibility for emerging issues to be addressed, a new process was implemented in October 2024 to enable meeting packs to be distributed with holding pages to indicate where papers will be provided at a later date. This ensures meeting packs are distributed to members within the timeframes outlined in the terms of reference and, where required, allow late papers to be distributed separately.

Communiqués were published on the PM&C website within 3 business days following a meeting for 9 out of 10 meetings (90%) held during the reporting period, resulting in this metric being achieved. In response to missing this deadline, a checklist of required meeting tasks has been implemented to ensure tasks are completed within required timeframes. Since this checklist was instituted, the metric for publishing the communiqué within 3 business days has been consistently met.

Performance measure 2.6:

Annual review of the Australian Government Crisis Management Framework is undertaken in consultation with Australian Government agencies to ensure it remains fit for purpose

Target	2024–25 result	2023–24 result
Annual updates released on time	Achieved	Not applicable New measure for 2024–25

Data source / methodology

Departmental records.

Source

- Portfolio Budget Statements 2024–25, Outcome 1, Program 1.1
- Corporate Plan 2024–25, page 29

¹⁵ While the April 2025 meeting was a strategy session, items related to this session were tracked in the forward work plan; therefore, the number of meetings for this metric is 11.

Analysis

The Australian Government Crisis Management Framework (AGCMF) establishes Australia's national crisis management arrangements. The AGCMF outlines the approach to prepare for, respond to and support recovery from crises. It provides Australian Government ministers and senior officials with guidance on their designated roles and responsibilities and the key Australian Government capabilities and mechanisms available to support coordination during crisis.

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 an administrative review of the AGCMF annually, in consultation with relevant stakeholders, to ensure its effectiveness.

The administrative review is published prior to October to ensure arrangements are updated and in place for the higher-risk weather season, which generally occurs between October and April each year. A comprehensive review of the AGCMF is undertaken every 5 years, as well as following significant or novel crises.

A comprehensive review was undertaken in 2023. This review was informed by a large body of evidence, including contributions from Australian Government agencies, states and territories, international partners, non-government organisations and industry, outcomes from targeted workshops, a literature review of best practice in public sector crisis management, and a desktop review of lessons identified from recent crisis responses (such as the COVID-19 pandemic). The outcomes of the review were implemented in 2024 under the oversight of the Australian Government's Crisis Arrangements Committee and included enhancements to coordination arrangements, clarification of roles and responsibilities, streamlining of domestic coordination arrangements and strengthened whole-of-government crisis communication and public messaging. The revised AGCMF (Version 4.0) was published and came into effect on 16 September 2024. The revised arrangements were launched at the National Emergency Management Agency's National Higher Risk Weather Season Preparedness Summit ahead of the 2024–25 season.



Key Activity 3:

Enable government decision-making, including through Cabinet operations

We support the executive branch of government, the Cabinet and its committees in their role as decision-makers. This support includes the preparation of advice to the Prime Minister and the Cabinet Secretary on the Cabinet and Cabinet committees forward work program, reviewing draft Cabinet submissions and papers, processing appointments, and ensuring the safe and timely distribution of Cabinet documents across the APS. PM&C supports the Federal Executive Council through the Federal Executive Council Secretariat.

As outlined in the Cabinet Handbook,¹⁶ during 2024–25 there were 5 Cabinet committees and 2 Cabinet subcommittees. The Cabinet committees are the Expenditure Review Committee, National Security Committee, Parliamentary Business Committee, Priority and Delivery Committee and Net Zero Economy Committee. The 2 subcommittees are the Government Communications Subcommittee (subcommittee of the Priority and Delivery Committee) and the National Security Investment Subcommittee (subcommittee of the National Security Committee).

We evaluate this activity through measures designed to assess the effectiveness and timeliness of our support.

¹⁶ Department of the Prime Minister and Cabinet, *Cabinet Handbook*, 15th edition, 2022.

Performance measure 3.1:

Percentage of key stakeholders satisfied with PM&C’s support to the Cabinet and its committees

Target	2024–25 result	2023–24 result ¹⁷
77%	Achieved 79% satisfied	Achieved 91% satisfied

Data source / methodology

Data collected and reported by PM&C’s independent annual stakeholder survey.¹⁸

Source

- Portfolio Budget Statements 2024–25, Outcome 1, Program 1.1
- Corporate Plan 2024–25, page 30

Analysis

PM&C works closely with the Cabinet, including the Cabinet Secretary, to provide support to the Cabinet and its committees to enable them to focus on what matters most to the government. We work closely with other departments to ensure that items prepared for consideration are compliant with requirements.

PM&C conducts an annual external stakeholder satisfaction survey to assess the level of satisfaction with our support for the Cabinet and its committees. The survey assessed the effectiveness of our support to the Cabinet and its committees by asking our ministers and ministerial office stakeholders whether they were satisfied with the level of support provided and the value of our contribution, and the efficiency of our support by our timeliness and responsiveness. Non-ministerial stakeholders’ satisfaction with our effectiveness was assessed through their satisfaction with our collaboration and support, with efficiency assessed through satisfaction with our timeliness.

Overall, a satisfaction rating of 79% was achieved, resulting in the target being achieved. The overall result has been calculated by applying an equal weighting to the overall effectiveness index of 85% and an overall efficiency index of 73%.

17 This was performance measure 13 in PM&C’s Annual Report 2023–24.

18 See pages 55–58 for information on the stakeholder survey.

This result represents a decrease in satisfaction of 12 percentage points on the result from 2023–24. Two stakeholder groups were positive in rating PM&C’s efficiency, with satisfaction scores in the high seventies to low eighties, while one group was less positive, with a score in the mid-fifties. When asked what PM&C did well in relation to the support provided to the Cabinet and its committees, key strengths identified by respondents included our engagement and consultation with stakeholders and our general advice and guidance. Areas for improvement identified by some respondents included improving the timeframes for the Cabinet process and ensuring compliance with rules and deadlines, and enhancing the value of the advice provided – for example, through aligning it with government priorities. To reflect the needs of a modern government, PM&C is reviewing the Cabinet templates and the Cabinet Handbook, providing visibility of the Cabinet forward work plan to increase focus on government priorities, and supporting collaboration and collective decision-making with new submission types.

Performance measure 3.2:

PM&C provides effective secretariat support to the Cabinet and its committees

Target	2024–25 result	2023–24 result
Effective secretariat support is provided	Achieved	Not applicable New measure for 2024–25

Data source / methodology

Departmental records.

Source

- Portfolio Budget Statements 2024–25, Outcome 1, Program 1.1
- Corporate Plan 2024–25, page 30

Analysis

The Cabinet and its committees play an essential role in government decision-making. The Cabinet Division within PM&C supports the Prime Minister, the Cabinet Secretary and the chairs of Cabinet committees in ensuring that government business is conducted in an effective and timely manner.

We assessed the effectiveness of our support to the Cabinet and its committees through 4 key metrics:

- transfer of 100% of Cabinet material to the National Archives of Australia within statutory timeframes under the *Archives Act 1983* and Records Authority 2024/00626638 on Cabinet Proceedings
- 90% of meeting minutes provided within 48 hours of the conclusion of the Cabinet or Cabinet committee meeting
- 85% of Cabinet appointment briefs prepared within 15 working days of receiving incoming appointment requests as outlined in the Cabinet Handbook (15th edition)
- the CabNet+ application being available and accessible to users at least 95% of the time.

This measure has been assessed as achieved, with the target for all 4 metrics being met.

The transfer of Cabinet records required to be transferred in the 2025 calendar year was completed by PM&C in April 2025, with confirmation of completeness received from the National Archives of Australia in May 2025.

During the reporting period, 92% of minutes were provided to the Cabinet Secretary's Office within 48 hours of the published meeting end time, against a target of 90%.

For the reporting period, 190 out of 210 (90%) appointment briefs were prepared and approved within 15 working days of notification, against a target of 85%, resulting in this metric being achieved.

For the reporting period, the CabNet+ application was available to users 97.6% of the time, against a target of 95%.

Stakeholder survey

PM&C seeks feedback from ministers, ministerial and non-ministerial stakeholders to evaluate performance against a number of key activities. Performance measures 1.1, 2.1, 2.2, 2.3, 2.4 and 3.1 rely on the stakeholder survey.

The surveys are sent to all key (high-level) stakeholders with whom the department worked during the reporting period, who observed our performance on measures outlined in the corporate plan, and who are able to provide feedback. The stakeholder groups are as follows:

- ministers – the Prime Minister, Assistant Minister to the Prime Minister, Minister for Women, Minister for the Public Service and Cabinet Secretary (or their delegate(s))
- ministerial – stakeholders identified from ministerial offices
- non-ministerial – stakeholders identified who are not from ministerial offices (that is, officials from government agencies or departments).

The surveys are conducted by an independent provider and respondents can choose to remain anonymous. This approach ensures that responses are representative and that results are objective, independent and unbiased. The department engaged an independent research organisation, ORIMA Research, to conduct the survey and provide an analysis of the results for 2024–25.

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.

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

The survey was designed to obtain reliable performance information and therefore targeted stakeholders who were able to provide an informed assessment of PM&C's performance.

Accordingly, only ministerial and non-ministerial stakeholders who met the following definition of knowledgeable observers were included:

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

While best efforts were made to ensure nominated stakeholders met the definitions outlined above, due to the federal election and staffing changes in ministerial offices, some stakeholders may not have met the listed criteria.

ORIMA Research 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 for the previous year.

Data collection methodology

For the ministers survey, data was collected through structured interviews (videoconference, telephone or face to face) with the identified minister or their delegate. These were conducted by senior PM&C officers. A senior ORIMA Research consultant attended each of the other interviews to provide independent assurance around the integrity of data collection and reporting.

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

ORIMA Research conducted a program of in-depth, qualitative follow-up interviews with a sample of respondents to the non-ministerial online survey. The purpose of the follow-up interviews was to obtain more detailed qualitative information concerning PM&C's performance. ORIMA Research selected interviewees from stakeholders who completed the survey and indicated they were willing to participate in a follow-up interview.

Calculating our results

The results of each survey are based on the 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.

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

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

Survey response rate

In 2024–25, we invited 1,279 stakeholders to respond to the stakeholder surveys. We received a total of 378 responses, being an overall response rate of 30%. Table 2.3 provides a breakdown of responses, including cohort response rates, for the 2024–25 stakeholder survey.

Table 2.3: Stakeholder satisfaction survey response rates, 2024–25

Stakeholder cohort	Number invited	Number completed	Response rate
Ministers survey	4	4	100%
Ministerial office stakeholder survey	29	6	21%
Non-ministerial stakeholder survey	1,246	368	30%
• Australian Government entity stakeholders	1,140	338	30%
• Other stakeholders	106	30	28%
Total	1,279	378	30%

The PM&C survey is similar to those of a benchmarking group of 51 similar government agency stakeholder surveys (for both federal and state government agencies) that have been conducted by the survey provider between 2012 and 2025. Among this benchmarking group, response rates ranged from 9% to 50%, with an average of 28%. This benchmarking data and empirical statistical research indicate that survey response rates are a poor predictor of bias magnitudes; therefore, a response rate of 20% or higher has been considered adequate for the provision and reporting of valid and reliable performance information.

Part 3

Management and accountability





Corporate governance

Our corporate governance arrangements guide good public sector governance and business practices across the department. This underpins PM&C's effective delivery of government priorities, promotes accountability, and builds public trust.

PM&C continued to invest in performance, accountability and oversight elements to achieve the highest standards of openness, transparency, integrity and effective collaboration.

Committees

PM&C's governance committees (see Table 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, at 30 June 2025

Committee	Purpose
Executive Board	Provided support to the Secretary, as the department's accountable authority, to lead and govern the department to deliver the government's priorities, achieve the department's objectives, and ensure the department's compliance with legislative requirements and government policies. The Executive Board monitored the department's performance and set the strategic direction for its activities and objectives, resource management, workplace capability and culture, risk management and internal controls, and workplace operations.
Operations Committee	Provided support to the Secretary and Executive Board by operationalising PM&C's strategic direction and supporting the Secretary to discharge their operational responsibilities. It provided assurance to the Secretary and the Executive Board regarding the performance of the department, compliance with internal and external requirements, and continuous improvement of PM&C's operations and performance.
Audit and Risk Committee	Provided independent advice to the Secretary and the Executive Board on the appropriateness of PM&C's financial and performance reporting, system of risk oversight and management, and system of internal control.

Committee	Purpose
Inclusion and Diversity Committee	Provided a dedicated mechanism for driving and promoting inclusion, diversity and reconciliation within PM&C.
Consultative Committee	Provided a forum for consultation with employees and their representatives on any matters relating to the operation of the Department of the Prime Minister and Cabinet Enterprise Agreement 2024–2027, including the development and review of supporting policies.
Health, Safety and Wellbeing Committee	Provided a forum for consultation and cooperation on work health and safety matters. This committee is established under section 75 of the <i>Work Health and Safety Act 2011</i> .

Integrity

PM&C employees occupy a unique and influential position at the centre of the Australian Public Service (APS). It is important we lead by example, upholding the APS Values and operating with the highest standards of integrity. We recognise that integrity is fundamental to everything we do, including maintaining the confidence and trust of our ministers, staff and the Australian public.

We have policies and processes in place to support a culture of doing the right thing. This is achieved by recruiting the right people and assisting staff to develop and reach their potential; encouraging open and honest communication; using knowledge and judgement to make evidence-based decisions; and recognising those who go ‘above and beyond’ in displaying integrity.

Throughout 2024–25, the department has taken proactive steps to strengthen its integrity culture and governance, including establishing a team to lead the department’s integrity framework and appointing an Integrity Champion. The department has reviewed its Conflict of Interest Policy to ensure it remains fit for purpose.

Internal audit

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

Audit and Risk Committee

The Audit and Risk Committee has been established in accordance with section 45 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). The committee provides independent advice to the Secretary and the Executive Board 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's 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 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 2024 to 30 June 2025. All members of the committee are independent members.

Table 3.2: Audit and Risk Committee membership, 2024–25

Member name	Qualifications, knowledge, skills and experience	Number of meetings attended	Total number of meetings held	Total annual remuneration (GST inc.)	Additional information
Ms Maria Storti	Ms Storti specialises in financial management, governance and risk management, and serves as a member on several boards and audit committees across the Commonwealth. Her experience includes positions as performance improvement partner at EY, Deputy CEO at Defence Housing Australia, and vice-president of governance and development at the University of Canberra. Ms Storti holds a Master of Business Administration and a Bachelor of Economics and is a Fellow of Chartered Accountants Australia and New Zealand. She is a Fellow of the Australian Institute of Company Directors and a member of the Institute of Internal Auditors.	7	7	\$27,942	Chair of the committee

Member name	Qualifications, knowledge, skills and experience	Number of meetings attended	Total number of meetings held	Total annual remuneration (GST inc.)	Additional information
Dr David Bryant	Dr Bryant serves on a range of other federal government audit committees, including those of the Department of Infrastructure, Transport, Regional Development, Communications, Sports and the Arts, the Department of Veterans' Affairs, the Office of the Official Secretary to the Governor-General, and the Australian Digital Health Agency. He contributes to the Audit and Risk Committee in the areas of IT governance and projects. Dr Bryant is a Senior Australian Computer Society Certified Professional and former Australian Institute of Project Management Certified Practising Project Director. He is a Fellow of the Australian Institute of Project Management and a graduate of the Australian Institute of Company Directors. He holds a Doctor of Philosophy (Management Information Systems), a Master of Business Administration (Technology Management) and a Bachelor of Information Technology.	7	7	\$22,206	Member

Member name	Qualifications, knowledge, skills and experience	Number of meetings attended	Total number of meetings held	Total annual remuneration (GST inc.)	Additional information
Mr Matt Cahill	Mr Cahill has over 20 years experience as a senior executive in multiple Commonwealth 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. He currently chairs or is a member of several boards and audit committees. Mr Cahill is a Certified Practising Accountant with fellow status and an Australian Institute of Company Directors graduate. He has a Master of Business Administration and undergraduate degrees in Economics and Science.	7	7	\$29,774	Member

Risk management

PM&C operates in a dynamic and fast-paced environment. There is inherent risk in everything we do and it is not possible, nor necessarily desirable, to eliminate all risks. We strive to achieve the right balance between engaging with risk to promote efficiency and innovation within our business practices, while delivering on government priorities, being accountable and upholding integrity.

During 2024–25, PM&C finalised the review of the department's Risk Management Policy and Framework. The framework outlines the department's approach to engaging with and managing risks, and includes risk appetite and tolerance statements that provide guidance on the level of risk the department is willing to accept. The department reviewed its enterprise risks to ensure they reflect the current external and internal operating environment.

Fraud and corruption prevention and control

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

Fraud and corruption risk is managed in accordance with the department's Risk Management Policy and Framework. PM&C continued to strengthen and mature its fraud and corruption management system, through the provision of a new Counter Fraud and Anti-Corruption Policy, which provides guidance on the department's arrangements to prevent, detect and respond to fraud and corruption.

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

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

External scrutiny

This section provides information on external scrutiny of the department and PM&C's contribution to the work of parliamentary committees during the reporting period.

External audit

During the reporting period, PM&C participated in 3 performance audits completed by the Australian National Audit Office (ANAO):

- Auditor-General Report No. 5 of 2024–25: *Australian Government Crisis Management Framework*, tabled in the parliament on 21 October 2024
- Auditor-General Report No. 14 of 2024–25: *Implementation of Parliamentary Committee and Auditor-General Recommendations – Indigenous Affairs Portfolio*, tabled in the parliament on 20 November 2024
- Auditor-General Report No. 33 of 2024–25: *Administration of the Impact Analysis Framework*, tabled in the parliament on 21 May 2025.

In addition, the ANAO conducted an audit of the department's 2024–25 annual performance statements.

Parliamentary committees

During 2024–25, PM&C contributed to the work of several parliamentary committees.

Senate Standing Committees on Finance and Public Administration

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

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

PM&C representatives appeared before the Senate Finance and Public Administration Legislation Committee at its Senate estimates hearings on 4 and 5 November 2024, 24 and 25 February 2025, and 27 March 2025.

In 2024–25, PM&C representatives appeared before the committee for its inquiry into the Workplace Gender Equality Amendment (Setting Gender Equality Targets) Bill 2024.

Other committees

On occasion, PM&C is invited to make a submission or appear at hearings of other committees covering specific topics. Representatives from PM&C appeared at hearings for the following inquiries in 2024–25:

- Senate Foreign Affairs, Defence and Trade References Committee: Inquiry into Australian support for Ukraine
- Senate Community Affairs References Committee: Inquiry into issues related to menopause and perimenopause.

PM&C made a submission to the following inquiry in 2024–25:

- Joint Committee of Public Accounts and Audit: Inquiry into the use and governance of artificial intelligence systems by public sector entities.

Judicial decisions and other external scrutiny

PM&C was not a party to any judicial decisions or decisions of administrative tribunals in 2024–25.

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

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

Our people

Our people are central to PM&C's success. We aim to have the right mix of people, with diverse skills, capability and life experience, to support the government to deliver for the Australian people in an increasingly complex and uncertain environment. We seek diverse perspectives and actively promote a culture that champions integrity, with an emphasis on ethical leadership and fostering psychological safety in our workplace. PM&C continues to support the implementation of priorities in the APS reform agenda, as well as anticipated changes in Commonwealth employment legislation, and APS employment frameworks and strategies. We are driving efforts to boost capability through investing in and growing critical skills in areas such as policy, economics, communication, cultural capability, consulting, project and change management, gender analysis, and digital and data literacy.

In 2024–25, PM&C supported the APS reform agenda by leading work on the *Public Service Amendment Act (No. 2) 2024*, which clarified that the Australian Public Service Commissioner has powers to hold current and former agency heads accountable for their actions while agency heads. PM&C further supported the progression of APS reform initiatives by working closely with the Australian Public Service Commission and the APS Reform Program Board.

We focus on developing capability and leadership through our ongoing management and leadership training offerings. Our leaders are responsible for building high levels of engagement, and productive and healthy teams, so that we can collectively deliver high-quality outcomes.

PM&C's 2025 APS Employee Census results showed high levels of regard for supervisors and leaders: 91% of respondents agreed that their supervisor ensures that they deliver what they are responsible for, and 90% agreed that their immediate supervisor cares about their health and wellbeing.

Our workforce reported high levels of motivation, satisfaction and commitment: 91% of respondents indicated that they were proud to work in PM&C, 88% that they felt committed to PM&C's goals, and 95% that they were happy to go the 'extra mile' at work when required.

Workforce statistics

Tables 3.3 to 3.16 provide statistics on PM&C's workforce for 2024-25, along with comparative statistics from the previous reporting period. Staffing figures include all ongoing, non-ongoing and casual APS employees, including those on secondment to Net Zero Economy Authority.

Table 3.3: All ongoing employees, at 30 June 2025

Location*	Man/ Male Full-time	Man/ Male Part-time	Man/ Male Total	Woman/ Female Full-time	Woman/ Female Part-time	Woman/ Female Total	Non- binary Full-time	Non- binary Part-time	Non- binary Total	Prefers not to answer Full-time	Prefers not to answer Part-time	Prefers not to answer Total	Uses a different term Full-time	Uses a different term Part-time	Uses a different term Total	Total
NSW	14	-	14	21	2	23	-	-	-	-	-	-	-	-	-	37
QLD	1	-	1	-	-	-	-	-	-	-	-	-	-	-	-	1
SA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TAS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ACT	393	14	407	756	130	886	-	-	-	-	-	-	4	-	4	1,297
NT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	408	14	422	777	132	909	-	-	-	-	-	-	4	-	4	1,335

* 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 based outside of the ACT. PM&C has no employees based in external territories or overseas.

Table 3.4: All ongoing employees, at 30 June 2024

Location*	Man/ Male Full-time	Man/ Male Part-time	Man/ Male Total	Woman/ Female Full-time	Woman/ Female Part-time	Woman/ Female Total	Non- binary Full-time	Non- binary Part-time	Non- binary Total	Prefers not to answer Full-time	Prefers not to answer Part-time	Prefers not to answer Total	Uses a different term Full-time	Uses a different term Part-time	Uses a different term Total	Total
NSW	4	-	4	3	-	3	-	-	-	-	-	-	-	-	-	7
QLD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TAS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ACT	402	14	416	779	121	900	-	-	-	-	-	-	4	1	5	1,321
NT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	406	14	420	782	121	903	-	-	-	-	-	-	4	1	5	1,328

* The majority of ongoing roles at PM&C are ACT-based. Employees may have flexible work arrangements in place to work 100% from a location based outside of the ACT. PM&C has no employees based in external territories or overseas.

Table 3.5: All non-ongoing employees, at 30 June 2025

Location*	Man/ Male Full-time	Man/ Male Part-time	Man/ Male Total	Woman/ Female Full-time	Woman/ Female Part-time	Woman/ Female Total	Non- binary Full-time	Non- binary Part-time	Non- binary Total	Prefers not to answer Full-time	Prefers not to answer Part-time	Prefers not to answer Total	Uses a different term Full-time	Uses a different term Part-time	Uses a different term Total	Total
NSW	2	-	2	4	-	4	-	-	-	-	-	-	-	-	-	6
QLD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TAS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ACT	5	2	7	14	5	19	-	-	-	-	-	-	-	-	-	26
NT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	7	2	9	18	5	23	-	-	-	-	-	-	-	-	-	32

* The majority of non-ongoing roles at PM&C are ACT-based. Employees may have flexible work arrangements in place to work 100% from a location based outside of the ACT. PM&C has no employees based in external territories or overseas.

Table 3.6: All non-ongoing employees, at 30 June 2024

Location*	Man/ Male Full-time	Man/ Male Part-time	Man/ Male Total	Woman/ Female Full-time	Woman/ Female Part-time	Woman/ Female Total	Non- binary Full-time	Non- binary Part-time	Non- binary Total	Prefers not to answer Full-time	Prefers not to answer Part-time	Prefers not to answer Total	Uses a different term Full-time	Uses a different term Part-time	Uses a different term Total	Total
NSW	-	-	-	1	-	1	-	-	-	-	-	-	-	-	-	1
QLD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TAS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ACT	13	4	17	20	9	29	-	-	-	-	-	-	-	-	-	46
NT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	13	4	17	21	9	30	-	-	-	-	-	-	-	-	-	47

* The majority of non-ongoing roles at PM&C are ACT based. Employees may have flexible work arrangements in place to work 100% from a location outside of the ACT. PM&C has no employees based in external territories or overseas.

Table 3.7: APS ongoing employees, at 30 June 2025

Level	Man/ Male Full-time	Man/ Male Part-time	Man/ Male Total	Woman/ Female Full-time	Woman/ Female Part-time	Woman/ Female Total	Non- binary Full-time	Non- binary Part-time	Non- binary Total	Prefers not to answer Full-time	Prefers not to answer Part-time	Prefers not to answer Total	Uses a different term Full-time	Uses a different term Part-time	Uses a different term Total	Total
SES 3	4	-	4	4	-	4	-	-	-	-	-	-	-	-	-	8
SES 2	7	-	7	16	-	16	-	-	-	-	-	-	-	-	-	23
SES 1	30	1	31	37	2	39	-	-	-	-	-	-	-	-	-	70
EL 2	68	2	70	155	26	181	-	-	-	-	-	-	-	-	-	251
EL 1	143	8	151	257	53	310	-	-	-	-	-	-	-	-	-	461
APS 6	90	1	91	174	30	204	-	-	-	-	-	-	-	-	-	295
APS 5	43	1	44	90	15	105	-	-	-	-	-	-	-	-	-	149
APS 4	9	-	9	27	5	32	-	-	-	-	-	-	-	-	-	41
APS 3	12	-	12	16	1	17	-	-	-	-	-	-	-	-	-	29
APS 2	-	1	1	-	-	-	-	-	-	-	-	-	-	-	-	1
APS 1	2	-	2	1	-	1	-	-	-	-	-	-	-	-	-	3
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total*	408	14	422	777	132	909	-	-	-	-	-	-	-	-	4	1,335

* To avoid unintentional identification, 4 employees not identifying as man/male or woman/female have not been disaggregated by classification level, but are included in the overall total.

Table 3.8: APS ongoing employees, at 30 June 2024

Level	Man/ Male Full-time	Man/ Male Part-time	Man/ Male Total	Woman/ Female Full-time	Woman/ Female Part-time	Woman/ Female Total	Non- binary Full-time	Non- binary Part-time	Non- binary Total	Prefers not to answer Full-time	Prefers not to answer Part-time	Prefers not to answer Total	Uses a different term Full-time	Uses a different term Part-time	Uses a different term Total	Total
SES 3	4	-	4	3	-	3	-	-	-	-	-	-	-	-	-	7
SES 2	12	-	12	15	2	17	-	-	-	-	-	-	-	-	-	29
SES 1	25	-	25	49	1	50	-	-	-	-	-	-	-	-	-	75
EL 2	75	4	79	142	22	164	-	-	-	-	-	-	-	-	-	243
EL 1	132	5	137	259	43	302	-	-	-	-	-	-	-	-	-	439
APS 6	87	1	88	155	36	191	-	-	-	-	-	-	-	-	-	279
APS 5	42	1	43	91	14	105	-	-	-	-	-	-	-	-	-	148
APS 4	13	-	13	37	3	40	-	-	-	-	-	-	-	-	-	53
APS 3	16	2	18	29	-	29	-	-	-	-	-	-	-	-	-	47
APS 2	-	1	1	1	-	1	-	-	-	-	-	-	-	-	-	2
APS 1	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	1
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total*	403	14	420	782	121	903	-	-	-	-	-	-	-	-	5	1,328

* To avoid unintentional identification, 5 employees not identifying as man/male or woman/female have not been disaggregated by classification level, but are included in the overall total.

Table 3.9: APS non-ongoing employees, at 30 June 2025

[illegible]

Table 3.10: APS non-ongoing employees, at 30 June 2024

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

Table 3.11: APS employees, by full-time and part-time status, at 30 June 2025

Level	Ongoing Full-time	Ongoing Part-time	Ongoing Total	Non-ongoing Full-time	Non-ongoing Part-time	Non-ongoing Total	Total
SES 3	8	-	8	-	-	-	8
SES 2	23	-	23	-	-	-	23
SES 1	67	3	70	2	-	2	72
EL 2	223	28	251	-	1	1	252
EL 1	401	61	462	11	1	12	474
APS 6	266	31	297	4	1	5	302
APS 5	133	16	149	5	-	5	154
APS 4	36	5	41	3	3	6	47
APS 3	29	1	30	-	1	1	31
APS 2	-	1	1	-	-	-	1
APS 1	3	-	3	-	-	-	3
Other	-	-	-	-	-	-	-
Total*	1,189	146	1,335	25	7	32	1,406

* The total PM&C headcount (1,406) is inclusive of 39 casual employees.

Table 3.12: APS employees, by full-time and part-time status, at 30 June 2024

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

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

Table 3.13: APS employment type, by location, at 30 June 2025

Location	Ongoing	Non-ongoing	Total
NSW	37	6	43
QLD	1	-	1
SA	-	-	-
TAS	-	-	-
VIC	-	-	-
WA	-	-	-
ACT	1,297	26	1,323
NT	-	-	-
Total*	1,335	32	1,406

* The total PM&C headcount (1,406) is inclusive of 39 casual employees.
PM&C has no employees based in external territories or overseas.

Table 3.14: APS employment type, by location, at 30 June 2024

Location	Ongoing	Non-ongoing	Total
NSW	7	1	8
QLD	-	-	-
SA	-	-	-
TAS	-	-	-
VIC	-	-	-
WA	-	-	-
ACT	1,321	46	1,367
NT	-	-	-
Total*	1,328	47	1,421

* The total PM&C headcount (1,421) is inclusive of 46 casual employees.
PM&C has no employees based in external territories or overseas.

Table 3.15: APS Indigenous employment, at 30 June 2025

Employment type	Total
Ongoing	25
Non-ongoing	2
Total	27

Table 3.16: APS Indigenous employment, at 30 June 2024

Employment type	Total
Ongoing	28
Non-ongoing	3
Total	31

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. In 2025, 89% of our APS Employee Census respondents said that PM&C supports and actively promotes an inclusive workplace culture. We leverage the voices, skills and experience of our people to foster a workplace that is inclusive, safe and respectful. In the 2025 census, 85% of respondents agreed they receive the respect they deserve from their colleagues at work, and when employees feel supported they are able to perform at their best.

PM&C's Inclusion and Diversity Strategy 2023–26 embodies the department's commitment to an inclusive workplace, where everyone is valued, heard, and free to express themselves. Highlights in 2024–25 include commencing a mentoring program, marking significant dates with events and fundraising activities to support the local community, and creating inclusive meeting guidelines.

PM&C's 6 staff-led diversity networks – Ability, Culturally and Linguistically Diverse, Gender Equality, Mara (Aboriginal and Torres Strait Islander staff), Pride (LGBTQI+ staff) and Wellbeing – and their Senior Executive Service (SES) champions – continue to be a strength in providing peer support and consultation. The networks act as forums through which diverse lived perspectives can be raised to senior leadership.

Reconciliation Action Plan

In the reporting year, PM&C embarked on a collective journey to develop a new Reconciliation Action Plan through extensive consultation and collaboration across the department and beyond. This included authentic collaboration with Aboriginal and Torres Strait Islander employees and stakeholders, such as Ngunnawal Elders, ensuring their voices, aspirations and experiences are at the centre of its design.

The PM&C Innovate Reconciliation Action Plan 2024–2027 was officially launched on 6 March 2025. It is a significant step in our department's ongoing commitment to advancing reconciliation within our workplace and across our sphere of influence, as well as promoting better understanding between all Australians.

Aboriginal and Torres Strait Islander employment

PM&C remains committed to the recruitment, development and retention of Aboriginal and Torres Strait Islander people. As at 30 June 2025, 1.9% of staff identified as Aboriginal or Torres Strait Islander in PM&C's human resources information system, consisting of:

- 2.5% Aboriginal and Torres Strait Islander representation at the APS 4 to APS 6 classification levels
- 1.4% Aboriginal and Torres Strait Islander representation at the Executive Level (EL) 1 and 2 classification levels
- 2.2% Aboriginal and Torres Strait Islander representation at the SES level.

We participate in whole-of-government First Nations employment programs and apply affirmative measures to Indigenous applicants in our recruitment activities, including when recruiting through entry-level programs.

Workplace arrangements

Remuneration and employment conditions for non-SES employees are determined under the Department of the Prime Minister and Cabinet Enterprise Agreement 2024–2027. Remuneration and employment conditions for SES employees are determined by the Secretary under subsection 24(1) of the *Public Service Act 1999*. The enterprise agreement and SES determinations operate in conjunction with Commonwealth legislation and are supported by internal policies and guidelines. The department occasionally uses individual flexibility arrangements for non-SES employees to secure specific expertise or specialist skills critical to business needs.

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

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

Table 3.17: APS employment arrangements, at 30 June 2025

Type of arrangement	SES	Non-SES	Total
Enterprise Agreement ^a	-	1,303	1,303
Subsection 24(1) determination	103	-	103
Individual flexibility arrangement ^b	-	30	30

a The total number of employees under the PM&C Enterprise Agreement (1,303) is inclusive of 39 casual employees.

b The 30 employees with an individual flexibility arrangement are covered by the PM&C Enterprise Agreement.

Table 3.18: APS employment salary ranges, by classification level, 2024–25

Level	Minimum salary (\$)	Maximum salary (\$)
SES 3	398,139	449,901
SES 2	298,502	331,011
SES 1	225,964	263,260
EL 2	147,052	185,343
EL 1	126,342	154,000
APS 6	98,314	121,026
APS 5	88,887	95,028
APS 4	80,505	86,097
APS 3	74,007	77,086
APS 2	66,271	70,619
APS 1	56,423	61,695
Other	-	-
Overall range	56,423	449,901

Executive remuneration

Remuneration for SES employees is governed by the Australian Public Service Commission's Executive Remuneration Management Policy, PM&C's SES Performance, Leadership and Development Framework, and individual employment determinations under subsection 24(1) of the *Public Service Act 1999*.

In line with non-SES employees, SES employees received a general salary increase of 3.8% on 13 March 2025.

Allowances paid to SES employees are minimal and 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 based on the Department of Finance Resource Management Guide No. 138: 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 2025, PM&C had 11 individuals who met the definition of KMP. Their names, length of term as KMP and remuneration details are in tables 3.19 to 3.21. In addition, aggregated remuneration information for 150 senior executives is shown in Table 3.22. During the reporting period, PM&C had no other highly paid staff who met the disclosure threshold for reporting.

Table 3.19: Key management personnel details, 2024–25

Name	Position	Date applicable from	Date applicable to
Steven Kennedy	Secretary	16/06/2025	30/06/2025
Glyn Davis	Secretary	01/07/2024	15/06/2025
Blair Exell	Deputy Secretary	17/02/2025	30/06/2025
Liz Hefren-Webb	Deputy Secretary	01/07/2024	19/01/2025
Nadine Williams	Deputy Secretary	01/07/2024	30/06/2025
Graham Fletcher	Deputy Secretary	01/07/2024	30/06/2025
Martin Hehir	Deputy Secretary and Chief Operating Officer	01/07/2024	30/06/2025
Padma Raman	Executive Director – Office for Women	01/07/2024	30/06/2025
David Shankey	Chief Executive Officer – Net Zero Economy Agency	02/12/2024	10/12/2024
Trevor Power	Chief Executive Officer – Net Zero Economy Agency (acting)	01/07/2024	29/11/2024
Iain Ross	Chair of the Net Zero Economy Agency	01/07/2024	10/12/2024

Table 3.20: Key management personnel summary remuneration, 2024–25

Remuneration and benefits	Total (\$)
Base salary	3,352,467
Bonuses	-
Other benefits and allowances	84,084
Total short-term benefits	3,436,551
Superannuation contribution	426,622
Total post-employment benefits	426,622
Long service leave	166,390
Other long-term benefits	-
Total other long-term benefits	166,390
Termination benefits	-
Total remuneration	4,029,563

Table 3.21: Information about remuneration for key management personnel, 2024-25

Name	Position	Short-term benefits Base salary	Short-term benefits Bonuses	Short-term benefits Other benefits and allowances	Post- employment benefits Superannuation contribution	Other long- term employee benefits Long service leave	Other long-term benefits	Termination benefits	Total remuneration
Steven Kennedy	Secretary	38,604	-	-	5,490	2,198	-	-	46,292
Glyn Davis	Secretary	897,339	-	27,232	28,010	45,392	-	-	997,973
Blair Exell	Deputy Secretary	168,074	-	339	29,994	3,478	-	-	201,885
Liz Hefren-Webb	Deputy Secretary	227,824	-	585	43,031	14,066	-	-	285,506
Nadine Williams	Deputy Secretary	441,202	-	1,001	67,571	18,829	-	-	528,603
Graham Fletcher	Deputy Secretary	402,667	-	1,001	74,936	46,395	-	-	524,999
Martin Hehir	Deputy Secretary and Chief Operating Officer	510,159	-	12,602	81,058	25,317	-	-	629,136
Padma Raman	Executive Director – Office for Women	438,631	-	40,733	62,079	6,957	-	-	548,400

Name	Position	Short-term benefits	Short-term benefits	Short-term benefits Other	Post- employment benefits	Other long- term employee benefits	Other long-term benefits	Termination benefits	Total remuneration
		Base salary	Bonuses	benefits and allowances	Superannuation contribution	Long service leave			
David Shankey	Chief Executive Officer – Net Zero Economy Agency	13,304	-	-	3,179	152	-	-	16,635
Trevor Power	Chief Executive Officer – Net Zero Economy Agency (acting)	141,787	-	591	20,835	3,606	-	-	166,819
Iain Ross	Chair of the Net Zero Economy Agency	72,876	-	-	10,439	-	-	-	83,315
Total	-	3,352,467	-	84,084	426,622	166,390	-	-	4,029,563

Table 3.22: Information about remuneration for senior executives, 2024–25

Band	Number of senior executives	Average base salary	Average bonuses	Average other benefits and allowances	Average superannuation contribution	Average long service leave	Average other long-term benefits	Average termination benefits	Average total remuneration
\$0–\$220,000	59	85,384	-	701	14,562	3,217	-	-	103,864
\$220,001–\$245,000	7	183,451	-	979	37,609	9,414	-	-	231,453
\$245,001–\$270,000	10	207,242	-	3,434	35,559	9,266	-	-	255,501
\$270,001–\$295,000	19	229,912	-	953	40,163	10,526	-	-	281,554
\$295,001–\$320,000	7	246,719	-	5,803	43,742	11,207	-	-	307,471
\$320,001–\$345,000	11	263,373	-	8,862	46,109	14,287	-	-	332,631
\$345,001–\$370,000	2	289,089	-	961	55,038	16,500	-	-	361,588
\$370,001–\$395,000	5	306,704	-	1,001	58,612	17,430	-	-	383,747
\$395,001–\$420,000	-	-	-	-	-	-	-	-	-
\$420,001–\$445,000	1	325,364	-	28,711	60,857	13,270	-	-	428,202
\$445,001–\$470,000	1	383,655	-	1,001	53,754	9,961	-	-	448,371

Performance pay

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

Learning and development

Ongoing investment in learning and development at PM&C is essential to equip our people with the skills and capabilities to meet the changing needs of the government and the Australian community.

In 2024–25, PM&C delivered a Corporate Training Catalogue featuring learning offerings aligned to our critical skill needs. Courses covered topics such as economics, policy writing, communication, leadership, performance and cultural awareness.

The department made 4 modules of the Core Cultural Learning program mandatory for all staff. The program is a foundational e-learning course designed to build understanding and respect for Aboriginal and Torres Strait Islander peoples and cultures across the APS. Developed by the Australian Institute of Aboriginal and Torres Strait Islander Studies, this training forms part of our Reconciliation Action Plan commitments.

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. Reflecting PM&C's commitment to this strategy, a range of reports on progress against the strategy's actions and outcome areas are available at disabilitygateway.gov.au/ads.

Disability reporting is included in the Australian Public Service Commission's State of the Service reports and APS Employment Data series. These reports are available at apsc.gov.au.

Work health and safety

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

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

We offered our employees a range of health and wellbeing initiatives, including annual flu vaccinations, access to additional allied health wellbeing services through our Employee Assistance Program provider, and an online wellbeing platform.

We delivered an engaging campaign for National Safe Work Month in October 2024. Awareness and understanding of psychosocial hazards was enhanced by the delivery of a bespoke psychosocial hazard workshop available to all employees.

PM&C's risk management approach ensures workplace safety aligns with our overall Risk Management Policy and Framework, to support a positive risk culture and encourage embedding work health and safety risk management into our business practices.

Gender equality reporting

In line with commitments made under Working for Women: A Strategy for Gender Equality, Australian Government departments will report on their efforts to achieve gender equality and build gender analysis capability in their annual reports. PM&C is one of 4 departments participating in a pilot of these reporting requirements in 2024–25.¹⁹ Further detail on the Working for Women Strategy is in Part 1 of this annual report.

¹⁹ The other departments in the pilot are the Department of Climate Change, Energy, the Environment and Water; the Department of Education; and the Department of Industry, Science and Resources.

PM&C is committed to improving the lives of women and girls in Australia. This annual report includes 3 case studies to demonstrate how PM&C – through the Office for Women (OFW) and more broadly – is advancing gender equality across the breadth of our work. In 2024–25, PM&C focused on driving progress across the Working for Women priority areas of gender-based violence, unpaid and paid care, and economic equality.

PM&C uses its central agency role to ensure gender is considered as policy progresses through the Cabinet and federal budget process, supporting agencies to drive improved gender outcomes across the government's agenda. We ensure gender equality remains a priority in international engagements and forums, such as the G20. At the G20 Leaders' Summit in 2024, the Prime Minister and other leaders reaffirmed their full commitment to gender equality and the empowerment of all women and girls, and encouraged participation and leadership of women in all sectors and at all levels of the economy.

As stewards of gender responsive budgeting, PM&C has invested in improving gender analysis capability across the APS, including its own staff, by providing a gender equality e-learning course, developing practical resources and tools to conduct gender analysis, establishing a Gender Analysis Community of Practice, and through targeted presentations from experts in relevant fields.

Working for Women Research Partnership

The Working for Women Strategy highlights that a robust evidence base is needed to identify the most effective ways to achieve gender equality. To strengthen this evidence base, in March 2025, the OFW established the Working for Women Research Partnership to generate new knowledge to support practical actions to drive women's economic equality.

This new and innovative research arrangement – between the Australian Government and academia²⁰ – will provide an integral mechanism for government to hear directly from the Australian community through an annual, nationally representative survey of 5,000 labour force participants and focus groups with around 400 Australians. Over 5 years, these surveys and other research methods will enable the research partnership to deliver actionable, practical and innovative insights to inform government and stakeholder interventions and drive sustained change for women, and progress gender equality.

²⁰ The Office for Women is partnering with the Australian Centre for Gender Equality and Inclusion @ Work (University of Sydney), in collaboration with the Jumbunna Institute for Indigenous Education and Research (University of Technology Sydney) and the University of Melbourne.

Care and support economy

The care and support economy is one of the fastest growing parts of the Australian economy. While lifting productivity in the care and support economy is essential to ensure the sector remains sustainable and supports future growth, efficiency must be balanced with supporting quality care and recognising the value of this essential work.

It has a twofold impact on women's economic equality – with women making up the majority of workers in these sectors,²¹ and being more likely to provide unpaid care when formal services are not available. Despite its important role in our society, care and support has long been undervalued. Care workers often face challenges in terms of fair pay, career progression, and recognition of their skills and expertise. These challenges threaten the sustainability of the care and support services that Australians rely on.

Teams across PM&C are working to tackle these challenges and improve gender equality outcomes. They have overseen the coordinated implementation of the government's reform agenda through strong policy stewardship and strategic coordination. This is especially important because of the interconnected nature of the care and support economy – actions in one sector can have unintended consequences in another if a holistic approach to implementation is not taken.

PM&C convenes across government to solve shared issues across the care and support economy, and facilitate collaboration on policies, programs and actions that will accelerate progress for gender equality.

These reforms advance women's economic equality by remedying the gender-undervaluation of pay and conditions in feminised workforces. These reforms can increase workforce participation by ensuring that formal care and support services are available, which support more women to enter the workforce.

PM&C is exploring ways to better balance care between women and men, for example through the 2024 review of Paid Parental Leave (PPL) materials by the Behavioural Economics Team of the Australian Government (BETA). This review identified updates to the PPL application process to address gender bias, encourage shared decision-making and greater uptake of leave by fathers. Results will be published later this year.

21 The care and support economy is highly gender segregated, with women accounting for around 85% of the workforce.

Applying behavioural science and evidence to support gender equality

The Behavioural Economics Team of the Australian Government (BETA) works across the APS to support the application of behavioural science and evidence to policymaking. It recently partnered with the Department of Employment and Workplace Relations (DEWR) to understand the impacts of family and domestic violence (FDV) leave.

FDV impacts safety, wellbeing, capacity to work and financial security, and is an issue that disproportionately affects women. Following the introduction of 10 days paid FDV leave in Australia in 2023, BETA conducted research in partnership with DEWR to understand the impact of the new entitlement. BETA collected data through interviews and surveys with FDV victim-survivors, employers and other Australian workers.

The research found that the leave was being used as intended – to help employees experiencing FDV remain in work, maintain income and access services. Victim-survivors used the leave to arrange for their own or their children's safety, and access police, medical and legal services. The leave had the potential to reduce discrimination against victim-survivors. The research found uptake was constrained by low awareness, with greater support being needed to assist employer–employee conversations about the leave.

BETA's research provided a foundation for ongoing policy stewardship on paid FDV leave, and highlighted the impact that government action has had on driving meaningful support for victim-survivors in crisis and reduce workplace stigma and discrimination. It informed the final report of the review of the *Fair Work Amendment (Paid Family and Domestic Violence Leave) Act 2022*, which was tabled in parliament in October 2024.

Environmental performance

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

Commonwealth Climate Disclosure

This section presents PM&C's climate disclosure for the 2024–25 reporting period.

Governance

PM&C has in place strong governance arrangements for managing climate-related risks and opportunities.

Legislative context

PM&C recognises that strong governance is essential to fulfilling our obligations under Climate Risk Management: The [Australian Government's Approach to Climate Risk and Opportunity Management in the Public Sector 2024–2026](#). These arrangements enable the Secretary, as the accountable authority under section 12 of the PGPA Act, to effectively oversee and disclose climate-related risks and opportunities. Under section 16 of the PGPA Act, the Secretary is responsible for ensuring these risks and opportunities are managed appropriately to support PM&C's strategic objectives.

Net zero commitment and Emissions Reduction Plan 2024–25

PM&C is following the Net Zero by 2030 target, as outlined in the [Net Zero in Government Operations Strategy](#). The department's [Emissions Reduction Plan 2024–25](#) outlines our approach and commitment to reduce emissions to net zero by 2030 and includes both planned and new emissions reduction initiatives. The Secretary receives regular updates either directly or through governance committee reporting. PM&C adheres to the methodology outlined in the [APS Net Zero 2030 Pilot Metrics and Targets Factsheet](#), available on the [Department of Finance website](#).

Emissions reporting

Table 3.23 sets out PM&C's greenhouse gas emissions inventory for 2024–25 using the location-based approach, while Table 3.24 presents electricity greenhouse gas emissions.

Table 3.23: Greenhouse gas emissions inventory (location-based approach), 2024–25

Emission source	Scope 1 tonnes CO ₂ -e	Scope 2 tonnes CO ₂ -e	Scope 3 tonnes CO ₂ -e	Total tonnes CO ₂ -e
Electricity (location-based approach)	N/A	1,278.95	77.51	1,356.47
Natural gas	-	N/A	-	-
Solid waste	-	N/A	27.28	27.28
Refrigerants	-	N/A	N/A	-
Fleet and other vehicles	2.53	N/A	0.62	3.15
Domestic commercial flights	N/A	N/A	348.59	348.59
Domestic hire car	N/A	N/A	22.03	22.03
Domestic travel accommodation	N/A	N/A	91.76	91.76
Other energy	0.01	N/A	-	0.01
Total tonnes CO₂-e	2.53	1,278.95	567.79	1,849.28

Note: CO₂-e = carbon dioxide equivalent.

This table presents emissions related to electricity usage using the location-based accounting method.

Table 3.24: Electricity greenhouse gas emissions, 2024–25

Emission source	Scope 2 tonnes CO ₂ -e	Scope 3 tonnes CO ₂ -e	Total tonnes	Electricity kWh
Electricity (location-based approach)	1,278.95	77.51	1,356.47	1,937,810.45
Market-based electricity emissions	36.02	4.89	40.91	44,472.75
Total renewable electricity consumed	N/A	N/A	N/A	1,893,337.70
Renewable power percentage ²²	N/A	N/A	N/A	352,584.61
Jurisdictional renewable power percentage ^{23, 24}	N/A	N/A	N/A	1,540,753.09
GreenPower ²³	N/A	N/A	N/A	-
Large-scale generation certificates ²³	N/A	N/A	N/A	-
Behind-the-meter solar ²⁵	N/A	N/A	N/A	-
Total renewable electricity produced	N/A	N/A	N/A	-

Note: CO₂-e = carbon dioxide equivalent; kWh = kilowatt hours

This table presents emissions related to electricity usage using both the location-based and market-based accounting methods. CO₂-e = Carbon Dioxide Equivalent. Electricity usage is measured in kilowatt hours (kWh).

22 Listed as ‘mandatory renewables’ in 2023–24 annual reports. The renewable power percentage accounts for the portion of electricity used, from the grid, that falls within the Renewable Energy Target.

23 Listed as ‘voluntary renewables’ in 2023–24 annual reports.

24 The Australian Capital Territory is currently the only state with a jurisdictional renewable power percentage.

25 Reporting behind-the-meter solar consumption and/or production is optional.
The quality of data is expected to improve over time as emissions reporting matures.

Climate risk integration

Climate-related risks are now formally recognised in PM&C's Risk Management Policy and Framework (the Risk Framework) as a legislated category of risk requiring ongoing management. The Secretary and the Executive Board identified climate change as a strategic risk driver and endorsed its inclusion in the PM&C Corporate Plan 2024–25 under the department's commitment to 'Action to address climate change'. PM&C will continue to integrate other internal policies, processes and tools to holistically manage climate-related risks and opportunities.

Organisation-wide assessment

PM&C has conducted an organisation-wide Climate Risk and Opportunity Assessment (the Assessment) to identify and manage risks and opportunities. This Assessment, along with future Commonwealth Climate Disclosure requirements, will continue to be reviewed and endorsed by the governance committees as outlined in Part 3 (the Committees section) of this report. These committees meet regularly and are empowered to escalate significant and emerging risks to the Secretary for visibility and response. The Secretary is briefed on climate-related matters at least annually, either directly or through governance committee reporting.

Specific roles in relation to the Assessment

- Secretary: Accountable authority is responsible for oversight of climate risk and disclosure
- Deputy Secretary, Governance and Corporate: Serves as PM&C's Chief Operating Officer and Chief Risk Officer and manages climate risk
- First Assistant Secretary, Corporate: Executive Sponsor of the Assessment
- PM&C managers and officials: Identify, manage, monitor and escalate risks – including legislated risks – within their area of responsibility
- Governance, Performance and Audit Branch: Maintains PM&C's enterprise risk management system and coordinates the development and ongoing management of PM&C's climate disclosure and Assessment.

Capability

To build capability, selected risk team members have completed the training modules and attended workshops run by the Department of Climate Change, Energy, the Environment and Water (DCCEEW) and the Department of Finance. PM&C is developing a department-wide approach to uplift climate risk capability. Any risks associated with skills and competencies are escalated to the Secretary through relevant governance committees.

Strategy

PM&C has in place a strategy to continuously refine its future assessments and climate disclosures.

The Assessment

For the 2024–25 financial year, PM&C aligned its Assessment with DCCEEW's Climate Risk and Opportunity Management Program (CROMP).

The Assessment's scope focused on PM&C's organisation-wide business operations – including our people, assets and infrastructure – which are primarily located in Canberra. The Assessment has identified a number of physical and transitional climate-related risks and opportunities that will require management. The timeframes considered in the Assessment were the present day, short-term (2030) and medium-term (2050) – as outlined in CROMP's [Organisation Application Guide](#).

Future climate disclosures

A full disclosure of relevant effects – including materiality – will be published in the next reporting period, following endorsement of the Assessment. PM&C recognises the importance of continuously tracking, updating and refining this assessment as more detailed climate data and projections become available. This ensures the Assessment remains fit for purpose and aligns with PM&C's operational model.

Risk management

We applied sound risk management principles to our Assessment methodology, and drew on both internal and external data sources.

Assessment methodology

PM&C's Assessment was conducted in line with the Risk Framework and incorporates key concepts from the CROMP's Organisation Application Guide. This involved adapting PM&C's standard risk assessment process to consider climate-related risk and opportunity drivers, impacts, different timeframes, and low- and high-emission scenarios.

The Risk Framework continues to guide PM&C's approach to identifying, accessing, managing, monitoring and reporting climate-related risks and opportunities. Risks were evaluated with current controls using the Risk Framework's likelihood and consequence criteria. Each risk was then prioritised based on the Risk Framework's risk appetite and tolerance levels, and risk escalation protocols.

Data sources

Relevant business areas and subject matter experts reviewed climate projections sourced from other Commonwealth, state and territory entities to inform the Assessment across different timeframes and emission scenarios. The data sources used were:

- Internal data sources:
 - Risk Management Policy and Framework
 - Staff input on assets, infrastructure and staff potentially at risk from climate change
 - Staff input on past impacts of natural disasters on departmental infrastructure.
- External data sources:
 - Climate scenario and transition summaries from the CROMP Organisation Application Guide appendix
 - Australian Capital Territory Climate Change Snapshot (developed by the NSW Government in partnership with the ACT Government)
 - NSW and Australian Regional Climate Modelling projections.

Future considerations

PM&C recognises that identified climate-related risks and opportunities require ongoing monitoring and management, and where necessary, escalation through governance committees for visibility and decision-making. The department acknowledges that new and emerging risks will continue to arise in future reporting periods, and these will require active management to ensure PM&C remains prepared and resilient.

Other sustainability initiatives

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

- attaining a National Australian Built Environment Rating System rating of 4.5 stars for whole-building energy and 4 stars for water at the Andrew Fisher Building (our Canberra office)
- using motion sensors in office work areas to reduce power usage
- operating as a 'paper-light office' by supporting the use of electronic document management and digital working
- using a 75,000-litre rainwater tank to flush toilets and water the gardens at the Andrew Fisher Building
- using Hydrowise – irrigation technology that uses weather outlooks from the Bureau of Meteorology – to prevent our irrigation system operating in periods of predicted rainfall
- using drought-tolerant plants in gardens at the Andrew Fisher Building
- using the 165-kilowatt 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
- using energy saver mode for most office equipment when not in use.

Financial management

Financial performance in 2024–25

The department's 2024–25 financial statements are presented at Part 4 of this report. The Auditor-General issued an unmodified audit opinion of these statements, noting that PM&C had appropriate and effective financial controls in place.

Activities administered on behalf of the government

In 2024–25, PM&C administered one program on behalf of the government. Administered expenses totalled \$175.4 million and comprised primarily of payments to corporate Commonwealth entities and companies (\$132.0 million, 75.2% of the total), and grant payments (\$29.7 million, 16.9% of the total).

Administered expenditure included:

- \$132.0 million paid to corporate Commonwealth entities and companies, including various land councils and the Indigenous Land Corporation
- \$29.7 million on grants, of which \$16 million was paid to the National Australia Day Council and \$13.7 million to the Office for Women
- \$8.6 million for supplier expenses.

Departmental activities

The department reported an operating deficit of \$12.9 million. After adjusting for unfunded depreciation and amortisation as well as accounting for Australian Accounting Standards Board 16: *Leases*, PM&C recorded an operating deficit of \$1.2 million.

In 2024–25, departmental expenses totalled \$296.4 million. Departmental revenue totalled \$52.9 million, comprising income from contracts with customers, resources received free of charge and secondees to the Net Zero Economy Authority. Revenue from government was \$230.6 million.

The Net Zero Economy Agency was abolished as an executive agency in the Department of the Prime Minister and Cabinet with effect from 11 December 2024, in line with the establishment of the Net Zero Economy Authority (the Authority) on the same date.

Total 2024–25 appropriation transferred to the Authority is separately disclosed in Note 5.1 – Appropriations (see financial statements – pages 153–154). As at 30 June 2025, the PM&C staff seconded to the Authority is treated as 'Revenue from contracts with customers' (refer to Note 1.2A of the financial statements – page 137). The section 72 transfer of employees will occur in 2025–26.

Table 3.25: Resourcing statement, 2024–25

		Actual available appropriation for 2024–25 \$'000 (a)	Payments made 2024–25 \$'000 (b)	Remaining balance 2024–25 \$'000 (a)–(b)
Departmental appropriation ^{26 27}		416,126	329,904	86,222
Total		416,126	329,904	86,222
Administered expenses²⁸				
Prior year administered appropriation				
Outcome 1: Prime Minister and Cabinet		65,055	50,069	
Payments to corporate Commonwealth entities and companies ²⁹		133,954	131,954	
Total		199,009	182,023	
Total ordinary annual services	A	615,135	511,927	
Administered non-operating				
Administered assets and liabilities				
Payments to corporate Commonwealth entities and companies non-operating		28,250	28,250	
Total		28,250	28,250	
Total other services	B	28,250	28,250	
Total available annual appropriations and payments	A+B	643,385	540,177	
Total special appropriations	C			
Total special accounts³⁰	D			
Total resourcing and payments				
A+B+C+D		643,385	540,177	
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or corporate Commonwealth entities and companies through annual appropriations		-	-	
Total net resourcing and payments for PM&C		643,385	540,177	

26 *Appropriation Act (No. 1) 2024–25, Appropriation Act (No. 3) 2024–25*. This also includes prior-year departmental appropriation, section 74 retained receipts (PGPA Act), permanent quarantine and section 75 of the PGPA Act. For further details, refer to Note 5.1 Appropriations in the financial statements.

27 Includes an amount of \$21.325 million in 2024–25 for the departmental capital budget. This also includes section 75 of the PGPA Act. For accounting purposes, this amount was designated as 'contributions by owners'. For further details, refer to Note 5.1 Appropriations in the financial statements.

28 Includes an amount of \$3.552 million in 2024–25 for the administered capital budget. For accounting purposes, this amount was designated as 'contributions by owners'. For further details, refer to Note 5.1B Appropriations in the financial statements.

29 Corporate Commonwealth entities are corporate Commonwealth entities and Commonwealth companies as defined under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). For further details, refer to Note 5.1B Appropriations in the financial statements.

30 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 3.26: Expenses for Outcome 1, 2024–25

	Budget* 2024–25 \$'000 (a)	Actual expenses 2024–25 \$'000 (b)	Variation 2024–25 \$'000 (a)–(b)
Program 1.1: Prime Minister and Cabinet			
<i>Administered expenses</i>			
Ordinary annual services (Appropriation Acts Nos 1 and 3)	183,901	174,853	9,048
Special appropriations	10	-	10
Special accounts	-	-	-
Expenses not requiring appropriation in the Budget year ³¹	425	581	(156)
<i>Departmental expenses</i>			
Departmental appropriation ³²	268,046	284,250	(16,204)
Expenses not requiring appropriation in the Budget year ³¹	12,046	12,137	(91)
Total for Program 1.1	464,428	471,821	(7,393)
Outcome 1: Total by appropriation type			
<i>Administered expenses</i>			
Ordinary annual services (Appropriation Acts Nos 1 and 3)	183,901	174,853	9,048
Special appropriations	10	-	10
Special accounts	-	-	-
Expenses not requiring appropriation in the Budget year ³¹	425	581	(156)
<i>Departmental expenses</i>			
Departmental appropriation ³²	268,046	284,250	(16,204)
Expenses not requiring appropriation in the Budget year ³¹	12,046	12,137	(91)
Total expenses for Outcome 1	464,428	471,821	(7,393)
	2024–25 Budget	2024–25 Actuals	Variation
Average staffing level (number)	1,307	1,235	72

* Full year budget, including any subsequent adjustment made.

31 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.

32 Departmental appropriation combines ordinary annual services (Appropriation Acts Nos 1 and 3) and retained receipts under section 74 of the PGPA Act. Budget does not include Net Zero Economy Authority from establishment date. Higher actual expenses compared to budget is due to treatment of seconded employees to Net Zero Economy Authority as at 30 June 2025.

Noncompliance with finance law

In 2024–25, the department had no significant issues under paragraph 19(1)(e) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) relating to noncompliance with the finance law.

Purchasing and procurement

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

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

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

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

Reportable consultancy contracts

During 2024–25, 14 new reportable consultancy contracts were entered into involving total actual expenditure of \$1,105,726 (inclusive of GST). In addition, 10 ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$562,508 (inclusive of GST).

The department selects consultants through the use of panel arrangements, open approaches to market, or limited tender where appropriate. 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 were made in accordance with the PGPA Act and related regulations, including the CPRs and relevant 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, tenders.gov.au.

Table 3.27: Expenditure on reportable consultancy contracts, 2024–25

	Number	Expenditure ³³ (\$ (GST inc.))
New contracts entered into during the reporting period	14	1,105,726
Ongoing contracts entered into during a previous reporting period	10	562,508
Total	24	1,668,234

Table 3.28: Organisations receiving the largest shares of reportable consultancy contract expenditure, 2024–25

Name of organisation	Organisation ABN	Expenditure ³⁴ (\$ (GST inc.))	Proportion of total spend (%)
Baringa Partners LLP	39 674 522 397	360,800	22
Lazard Australia Pty Ltd	18 649 846 328	307,812	18
1 and One Pty Ltd	13 637 567 947	149,875	9
Thom, Vivienne Joyce	73 422 163 798	116,640	7
Deloitte Touche Tohmatsu	74 490 121 060	112,989	7
Indigenous Professional Services Pty Ltd	32 608 918 252	100,720	6
Total		1,148,836	69

33 The Net Zero Economy Agency was abolished as an executive agency in the Department of the Prime Minister and Cabinet with effect from 11 December 2024, in line with the establishment of the Net Zero Economy Authority (the Authority) on the same date. Contract expenditure relating to the Authority from 11 December 2024 is not included in this report.

34 The Net Zero Economy Agency was abolished as an executive agency in the Department of the Prime Minister and Cabinet with effect from 11 December 2024, in line with the establishment of the Net Zero Economy Authority (the Authority) on the same date. Contract expenditure relating to the Authority from 11 December 2024 is not included in this report.

Reportable non-consultancy contracts

During 2024–25, 368 new reportable non-consultancy contracts were entered into involving total actual expenditure of \$60,631,335 (inclusive of GST). In addition, 311 ongoing reportable non-consultancy contracts were active during the period, involving total actual expenditure of \$57,960,901 (inclusive of GST).

Decisions to engage suppliers were made in accordance with the PGPA Act and related regulations, including the CPRs and relevant 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, tenders.gov.au.

Table 3.29: Expenditure on reportable non-consultancy contracts, 2024–25

	Number	Expenditure ³⁵ (\$ (GST inc.))
New contracts entered into during the reporting period	368	60,631,335
Ongoing contracts entered into during a previous reporting period	311	57,960,901
Total	679	118,592,236

35 The Net Zero Economy Agency was abolished as an executive agency in the Department of the Prime Minister and Cabinet with effect from 11 December 2024, in line with the establishment of the Net Zero Economy Authority (the Authority) on the same date. Contract expenditure relating to the Authority from 11 December 2024 is not included in this report.

Table 3.30: Organisations receiving the largest shares of reportable non-consultancy contract expenditure, 2024–25

Name of organisation	Organisation ABN	Expenditure (\$ (GST inc.)	Proportion of total spend (%)
ISPT Pty Ltd	15 421 756 611	12,183,465	10
Data#3 Limited	31 010 545 267	6,204,444	5
Ignite Limited	43 002 724 334	5,961,153	5
Jones Lang LaSalle (ACT) Pty Limited	69 008 585 260	4,433,922	4
ServiceNow Australia Pty Ltd	88 149 683 312	3,363,991	3
Total		32,146,975	27

APS Strategic Commissioning Framework

In 2024–25, PM&C took steps to bring core work in-house in line with the APS Strategic Commissioning Framework. Our targets for 2024–25 aimed to bring \$580,000 (GST excluded) of core work in-house from information and communications technology and digital solutions staff providing direct support for the CabNet+ information system. This target was exceeded, with an actual reduction of \$635,065 in relevant supplier expenditure in 2024–25.

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 3.31: Contracts without standard Auditor-General access clause, 2024–25

Name of contractor	Contract purpose	Total contract value (\$) (GST inc.)	Reason for not including access clause
ServiceNow Australia Pty Ltd	Software maintenance and support	1,751,231	Standard industry practice to enter into supplier terms and conditions
The Trustee for Canberra Centre Investment Trust	Lease and rental of property or building	637,290	Industry practice to enter into a specific lease agreement
Adobe Systems Software Ireland Limited	Software maintenance and support	271,073	Standard industry practice to enter into supplier terms and conditions
Singapore Airlines	Travel facilitation	182,085	Standard industry practice to enter into supplier terms and conditions
EBSCO International Inc	Information services	175,000	Standard industry practice to enter into supplier terms and conditions
Bloomberg Australia Pty Ltd	Data services	174,364	Standard industry practice to enter into supplier terms and conditions
Willyama Services Pty Limited	Computer hardware maintenance and support	116,452	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 enterprise (SME) and small enterprise participation statistics are available on the Department of Finance's website, finance.gov.au.

The department encourages staff to consider the disaggregation of large projects into smaller packages, where appropriate, to maximise competition and provide more opportunities for SMEs. In addition, where appropriate, staff are advised of exemptions 16 and 17 of the CPRs, relating to the use of SMEs with at least 50% Indigenous ownership, and non-Indigenous SMEs for procurements of up to \$500,000.

The department remains committed to ensuring SMEs can engage in fair competition, and demonstrates this through our procurement practices, including use of templates from the Commonwealth Contracting Suite for procurements valued up to \$1 million, where appropriate. The department is committed to meeting the government's targets of procuring at least 25% of contracts by value from SMEs, for contracts with a value of up to \$1 billion; and 40% of contracts by value from SMEs, for contracts with a value of up to \$20 million.

The department recognises the importance of ensuring that small businesses are paid on time in accordance with the government's Supplier Pay On-Time or Pay Interest Policy. Our practices support the timely payment of SMEs through the use of electronic systems such as e-invoicing and credit cards for purchases under \$10,000 (GST inclusive). The results of the survey of Australian Government payments to small business are available on the Department of the Treasury's website, treasury.gov.au.

Advertising and market research

During 2024–25, the department conducted one advertising campaign – the Net Zero Economic Transformation – that meets the definition of advertising campaigns as per the Australian Government Guidelines on Information and Advertising Campaigns by non-corporate Commonwealth entities. Further information on this advertising campaign is available on the department’s website, pmc.gov.au, and in the reports on Australian Government advertising on the Department of Finance’s website, finance.gov.au.

In accordance with section 311A of the *Commonwealth Electoral Act 1918*, payments of \$16,900 or more (inclusive of GST) to advertising agencies, market research organisations and media advertising organisations are set out in Table 3.32. Non-campaign advertising and market research expenditure is set out in Table 3.33.

The department did not make any payments to direct mail organisations or polling organisations during the reporting period.

Table 3.32: Campaign advertising and market research expenditure, 2024–25

Organisation	Purpose	Expenditure ³⁶ (\$) (GST inc.)
Mediabrand Australia Pty Ltd	Advertising services	1,737,471
Embrace Society Pty Ltd	Multicultural communications	493,036
Cox Inall Ridgeway Pty Ltd	First Nations communications	198,000
Hall & Partners Pty Ltd	Evaluation market research	183,304

³⁶ The Net Zero Economy Agency was abolished as an executive agency in the Department of the Prime Minister and Cabinet with effect from 11 December 2024, in line with the establishment of the Net Zero Economy Authority (the Authority) on the same date. Contract expenditure relating to the Authority is not included in these tables from 11 December 2024.

Table 3.33: Non-campaign advertising and market research expenditure, 2024–25

Organisation	Purpose	Expenditure ³⁷ (\$ (GST inc.))
SEC Newgate Pty Limited	Market research associated with understanding the perspectives of Australians	74,008
Mediabrand Australia Pty Ltd	Recruitment advertising and platforms to support the 2026 graduate program	67,262
Mediabrand Australia Pty Ltd	Social media advertising to promote participation in a public consultation for a long-term insights report	27,500

Grant programs

Information on grants awarded by the department during the period 1 July 2024 to 30 June 2025 is available on the GrantConnect website at grants.gov.au.

³⁷ The Net Zero Economy Agency was abolished as an executive agency in the Department of the Prime Minister and Cabinet with effect from 11 December 2024, in line with the establishment of the Net Zero Economy Authority (the Authority) on the same date. Contract expenditure relating to the Authority is not included in these tables from 11 December 2024.

Part 4

Financial statements







INDEPENDENT AUDITOR'S REPORT

To the Prime Minister

Opinion

In my opinion, the financial statements of the Department of the Prime Minister and Cabinet (the Entity) for the year ended 30 June 2025:

- (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 2025 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 2025 and for the year then ended:

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

Basis for opinion

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

Accountable Authority's responsibility for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Australian National Audit Office



Michelle Page

Senior Executive Director

Delegate of the Auditor-General

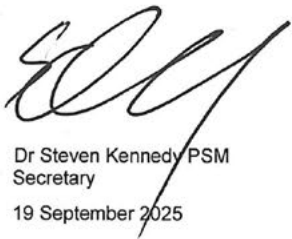
Canberra

22 September 2025

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 2025 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.



Dr Steven Kennedy PSM
Secretary
19 September 2025



Karyn Cooper
Chief Financial Officer
19 September 2025

DEPARTMENT OF THE PRIME MINISTER AND CABINET
STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 June 2025

		2025	2024	Original budget ¹
	Notes	\$'000	\$'000	\$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	196,168	194,329	191,903
Suppliers	1.1B	78,218	118,125	105,920
Depreciation and amortisation	3.2	20,443	20,314	21,833
Finance costs	1.1C	1,073	1,181	1,071
Write-down and impairment of other assets	3.2	485	74	-
Total expenses		296,387	334,023	320,727
Own-source income				
Own-source revenue				
Revenue from contracts with customers	1.2A	48,844	36,634	36,479
Resources received free of charge	1.2B	3,942	8,555	-
Total own-source revenue		52,786	45,189	36,479
Gains				
Other gains		145	178	-
Total gains		145	178	-
Total own-source income		52,931	45,367	36,479
Net cost of services		243,456	288,656	284,248
Revenue from Government - departmental appropriations		230,590	292,100	271,131
(Deficit)/Surplus		(12,866)	3,444	(13,117)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation surplus		1,492	2,284	-
Total comprehensive (loss) / profit		(11,374)	5,728	(13,117)

¹ For further information, refer to Departmental Budget Commentary.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
STATEMENT OF FINANCIAL POSITION
as at 30 June 2025

		2025	2024	Original budget ¹
	Notes	\$'000	\$'000	\$'000
ASSETS				
Financial assets				
Cash and cash equivalents		1,594	1,672	1,934
Trade and other receivables	3.1	84,316	77,035	74,215
Accrued revenue		4,066	5,763	5,683
Total financial assets		89,976	84,470	81,832
Non-financial assets				
Property, plant and equipment ²	3.2	108,063	120,728	108,294
Intangibles	3.2	19,248	13,920	27,681
Prepayments	3.3	10,051	6,347	6,929
Total non-financial assets		137,362	140,995	142,904
Total assets		227,338	225,465	224,736
LIABILITIES				
Payables				
Trade creditors and accruals	3.4A	9,944	10,607	9,618
Other payables	3.4B	11,709	10,058	18,021
Total payables		21,653	20,665	27,639
Interest bearing liabilities				
Leases	3.5	79,929	88,629	80,843
Total interest bearing liabilities		79,929	88,629	80,843
Provisions				
Employee provisions	6.1A	54,953	53,373	49,485
Make good provisions	3.6	556	513	293
Total provisions		55,509	53,886	49,778
Total liabilities		157,091	163,180	158,260
Net assets		70,247	62,285	66,476
EQUITY				
Contributed equity		233,901	214,565	251,431
Accumulated (deficit)		(172,776)	(159,910)	(189,437)
Reserves		9,122	7,630	5,346
Total equity		70,247	62,285	67,340

¹ For further information, refer to Departmental Budget Commentary.

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

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2025

	2025 \$'000	2024 \$'000	Original budget ¹ \$'000
CONTRIBUTED EQUITY			
Opening balance			
Balance carried forward from previous period	214,565	215,263	237,054
Transactions with owners			
Distributions to owners			
Return of capital:			
Restructuring ²	(1,989)	-	-
Appropriations withheld ³	-	(12,188)	-
Contributions by owners			
Restructuring ²	(2,086)	-	-
Departmental Capital Budget	23,411	11,490	14,377
Total transactions with owners	19,336	(698)	14,377
Closing balance as at 30 June	233,901	214,565	251,431
ACCUMULATED DEFICIT			
Opening balance			
Balance carried forward from previous period	(159,910)	(163,354)	(176,320)
Adjusted opening balance	(159,910)	(163,354)	(176,320)
Comprehensive income			
(Deficit)/Surplus for the period	(12,866)	3,444	(13,117)
Total comprehensive income	(12,866)	3,444	(13,117)
Closing balance as at 30 June	(172,776)	(159,910)	(189,437)

¹ For further information, refer to Departmental Budget Commentary.

² Net Zero Economy Agency was abolished as an Executive Agency in the Department of the Prime Minister and Cabinet with effect 11 December 2024, in line with the establishment of the Net Zero Economy Authority (the Authority) on the same date. Amount includes appropriations transferred under section 75 of the PGPA Act (\$4.075 million) against prior year appropriations. For full disclosure, refer Note 5.1A Appropriations.

³ Appropriations withheld in 2024 under section 51 of the PGPA Act (\$12.188 million) against *Appropriation Act (No. 3) 2022-2023* relates to the 2023 QUAD Leader's Summit.

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 2025

	2025 \$'000	2024 \$'000	Original budget ¹ \$'000
ASSET REVALUATION RESERVE			
Opening balance			
Balance carried forward from previous period	7,630	5,346	5,346
Comprehensive income			
Other comprehensive income	1,492	2,284	-
Closing balance as at 30 June	9,122	7,630	5,346
TOTAL EQUITY			
Opening balance			
Balance carried forward from previous period	62,285	57,255	66,080
Adjusted opening balance	62,285	57,255	66,080
Comprehensive income			
Other comprehensive income	1,492	2,284	-
(Deficit)/Surplus for the period	(12,866)	3,444	(13,117)
Total comprehensive income	(11,374)	5,728	(13,117)
Transactions with owners			
Distributions to owners			
Return of capital:			
Restructuring ²	(1,989)	-	-
Appropriations withheld ³	-	(12,188)	-
Contributions by owners			
Restructuring ²	(2,086)	-	-
Departmental Capital Budget	23,411	11,490	14,377
Total transactions with owners	19,336	(698)	14,377
Closing balance as at 30 June	70,247	62,285	67,340

¹ For further information, refer to Departmental Budget Commentary.

² Net Zero Economy Agency was abolished as an Executive Agency in the Department of the Prime Minister and Cabinet with effect 11 December 2024, in line with the establishment of the Net Zero Economy Authority (the Authority) on the same date. Amount includes appropriations transferred under section 75 of the PGPA Act (\$4.075 million) against prior year appropriations. For full disclosure, refer Note 5.1A Appropriations.

³ Appropriations withheld in 2024 under section 51 of the PGPA Act (\$12.188 million) against *Appropriation Act (No. 3) 2022-2023* relates to the 2023 QUAD Leader's Summit.

Accounting Policy

Equity injections

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

Restructuring of administrative arrangements

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

Other distributions to owners

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

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
CASH FLOW STATEMENT
for the period ended 30 June 2025

	2025	2024	Original budget ¹
	\$'000	\$'000	\$'000
OPERATING ACTIVITIES			
Cash received			
Sale of goods and rendering of services ²	44,121	33,925	36,479
GST received (net)	11,288	15,798	-
Appropriations ²	289,072	316,047	307,610
Total cash received	344,481	365,770	344,089
Cash used			
Employees	193,359	184,544	190,404
Suppliers ²	97,969	125,294	107,419
Retained receipts transferred to Official Public Account	43,307	33,783	36,479
Interest payments on lease liabilities	1,073	1,181	1,071
Total cash used	335,708	344,802	335,373
Net cash from operating activities	8,773	20,968	8,716
INVESTING ACTIVITIES			
Cash used			
Purchase of property, plant and equipment	3,766	3,135	14,377
Purchase of intangibles	8,242	8,987	-
Total cash used	12,008	12,122	14,377
Net cash (used by) investing activities	(12,008)	(12,122)	(14,377)
FINANCING ACTIVITIES			
Cash received			
Contributed equity			
Departmental Capital Budget	11,948	12,206	14,377
Total cash received	11,948	12,206	14,377
Cash used			
Appropriations withheld ³	-	12,188	-
Principal payments of lease liabilities	8,791	9,126	8,716
Total cash used	8,791	21,314	8,716
Net cash from / (used by) financing activities	3,157	(9,108)	5,661
Net (decrease) in cash held	(78)	(262)	-
Cash and cash equivalents at the beginning of the reporting period	1,672	1,934	1,934
Cash and cash equivalents at the end of the reporting period	1,594	1,672	1,934

¹ For further information, refer to Departmental Budget Commentary.

² Refer to Note 5.1A Appropriations, footnote 2. Total increase of \$19.628 million is due to principal / agent relationship with the Authority (increase \$11.505 million against Sales of goods and rendering of services for secondees to the Authority and \$8.123 million against Suppliers and Appropriations).

³ Refer to Note 5.1A Appropriations, footnote 5.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
BUDGET COMMENTARY
for the period ended 30 June 2025

Departmental budget variance The below table provides commentary for significant variances between PM&C’s original budget estimates, as published in the 2024-25 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
Suppliers expense Actual expenditure is less than budgeted primarily due to establishment of Net Zero Economy Authority as an independent body on the 11 December 2024. The ongoing requirement for taskforces, which are not budgeted, contributed to supplier expenses and own source revenue (from seconded employees from other government entities). The short term nature of taskforces meant that secondees resources provided free of charge fluctuates between financial years.	Suppliers expense – Statement of Comprehensive Income Trade creditors and accruals – Statement of Financial Position Suppliers – Cash Flow Statement Cash and cash equivalent – Statement of Financial Position Resources received free of charge – Statement of Comprehensive Income
Asset purchases, depreciation and amortisation Actual expenditure is lower than budgeted due to delay in the delivery of the ICT back-up solution (change in scope), procurement and engagement delays.	Depreciation and amortisation – Statement of Comprehensive Income Property plant and equipment – Statement of Financial Position Intangible – Statement of Financial Position Purchased of PPE and intangibles – Cash Flow Statement Departmental capital budget – Cash Flow Statement
Prepayments Higher actual prepayment expenditure compared to budget primarily due to various ICT software, subscription renewals and support.	Prepayments – statement of financial position
Employee benefits The 3.8 percent pay increase in Enterprise Agreement 2024-27 was not reflected in the original budget.	Employee benefits – Statement of Comprehensive Income Employee provisions – Statement of Financial Position
Other payables Other payables was not reflected correctly in the budgeted financial position. There has been a misalignment between other payables and trade creditors and accruals.	Other payables – Statement of Financial Position

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 2025

Departmental budget variance (continued)	
Explanation of major variances	Affected line items and statement
Revenue from contracts with customers and Revenue from Government The Net Zero Economy Authority was established as an independent body on the 11 December 2024. This resulted in a decreased in revenue from government and the corresponding line items compared to budget. The rest of the impacted line items have increased due to the secondment of PM&C's employees as part of the Authority's establishment.	Revenue from Government – Statement of Comprehensive Income Appropriations – Cash Flow statement Revenue from contracts with customers – Statement of Comprehensive Income Accrued revenue – Statement of Financial Position Sales of goods and rendering of services – Cash Flow Statement Trade and other receivables (appropriation receivable) – Statement of Financial Position 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 2025

		2025	2024	Original budget ¹
	Notes	\$'000	\$'000	\$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	2.1A	3,376	2,289	2,441
Suppliers	2.1B	8,555	5,661	15,364
Grants	2.1C	29,661	35,955	33,324
Depreciation	4.2	997	894	876
Finance costs	2.1D	891	4,900	700
Payments to corporate Commonwealth entities and companies	2.1E	131,954	122,146	131,664
Total expenses		175,434	171,845	184,369
Income				
Revenue				
Non-taxation revenue				
Other revenue	2.2A	349	1,140	-
Total non-taxation revenue		349	1,140	-
Total revenue		349	1,140	-
Gains				
Other gains		31	19	-
Total gains		31	19	-
Total income		380	1,159	-
Net cost of services		175,054	170,686	184,369
(Deficit)		(175,054)	(170,686)	(184,369)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation reserve ²		216,690	117,343	-
Items subject to subsequent reclassification to net cost of services				
Actuarial loss - former Governors-General entitlements	6.1C	(2,367)	(1,787)	-
Total other comprehensive income		214,323	115,556	-
Total comprehensive income (deficit)		39,269	(55,130)	-

¹ For further information, refer to Administered Budget Commentary.

² For further information, refer to Note 4.1 Investments in corporate Commonwealth entities and companies.

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 2025

	Notes	2025 \$'000	2024 \$'000	Original budget ¹ \$'000
ASSETS				
Financial assets				
Trade and other receivables		45	175	309
Investments in corporate Commonwealth entities ²	4.1	<u>4,098,679</u>	<u>3,879,966</u>	<u>3,791,739</u>
Total financial assets		<u>4,098,724</u>	<u>3,880,141</u>	<u>3,792,048</u>
Non-financial assets				
Property, plant and equipment ³	4.2	<u>92,535</u>	<u>63,240</u>	<u>66,853</u>
Prepayments		<u>65</u>	<u>59</u>	<u>49</u>
Total non-financial assets		<u>92,600</u>	<u>63,299</u>	<u>66,902</u>
Total assets administered on behalf of Government		<u>4,191,324</u>	<u>3,943,440</u>	<u>3,858,950</u>
LIABILITIES				
Payables				
Trade creditors and accruals		577	1,455	611
Other payables		<u>166</u>	<u>98</u>	<u>75</u>
Total payables		<u>743</u>	<u>1,553</u>	<u>686</u>
Interest bearing liabilities				
Leases	4.3	<u>2,463</u>	<u>333</u>	<u>1,611</u>
Total interest bearing liabilities		<u>2,463</u>	<u>333</u>	<u>1,611</u>
Provisions				
Employee provisions	6.1B	841	750	698
Non-cash benefits - former Governors-General	6.1C	21,023	19,256	16,311
Make good provisions	4.4	<u>483</u>	<u>295</u>	<u>-</u>
Total provisions		<u>22,347</u>	<u>20,301</u>	<u>17,009</u>
Total liabilities administered on behalf of Government		<u>25,553</u>	<u>22,187</u>	<u>19,306</u>
Net assets		<u>4,165,771</u>	<u>3,921,253</u>	<u>3,839,921</u>
¹ For further information, refer to Administered Budget Commentary.				
² For further information, refer to Note 4.1 Investments in corporate Commonwealth entities and companies.				
³ 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 2025

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 2024-25 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 3.8 percent pay increase in the Enterprise Agreement 2024-27 was not reflected in the original budget.	Employee benefits - Administered Schedule of Comprehensive Income Other payables - Administered Schedule of Assets and Liabilities Employee provisions - Administered Schedule of Assets and Liabilities
Suppliers expense The Net Zero Economy Authority was established as an independent body on the 11 December 2024. Actual supplier expenditure is lower than budgeted as the full year budget for the Authority was reflected in the original budget.	Suppliers expense - Statement of Comprehensive Income Prepayment - Administered Schedule of Assets and Liabilities Trade creditors and accruals - Administered Schedule of Assets and Liabilities
Grants expense Grants expense is lower than budgeted due to Working for Women grant program being re-profiled to align with the Working for Women Strategy for Gender Equality.	Grants expense - Administered Schedule of Comprehensive Income
Asset purchases, depreciation and amortisation Actual ROU leases liabilities are higher than budgeted due to new office lease contracts for former Governors-General. Refer to Note 4.3 Leases Liabilities Asset revaluation reserves had a valuation increment primarily in relation to Kirribilli and the Lodge in 2024-25 that was not budgeted. Refer Note 4.2 Administered - Non-financial assets.	Depreciation and amortisation - Administered Schedule of Comprehensive Income Property plant and equipment - Administered Schedule of Assets and Liabilities Leases - Administered Schedule of Assets and Liabilities

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 2025

Administered budget variance (continued)	
Explanation of major variances	Affected line items and statement
Finance cost and former Governors-General Majority of the increase in the provision is due to higher average life expectancy and increase in average cost assumption associated with the appointment of the new Governor-General.	Finance costs - Administered Schedule of Comprehensive Income Actuarial loss - Administered Schedule of Comprehensive Income Non cash benefit - Former Governor 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. Asset revaluation reserves had a valuation increment primarily in relation to Kirribilli and the Lodge in 2024-25 that was not budgeted. Refer Note 4.2: Administered - Non-financial assets.	Investments in corporate Commonwealth entities - Administered Schedule of Assets and Liabilities Changes in asset revaluation reserve - Administered Schedule of Comprehensive Income 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 2025

	2025 \$'000	2024 \$'000
Opening assets less liabilities as at 1 July ¹	3,921,253	3,782,118
Net cost of services		
Income	380	1,159
Expenses		
Payments to entities other than corporate Commonwealth entities and companies	(43,480)	(49,699)
Payments to corporate Commonwealth entities and companies	(131,954)	(122,146)
Other comprehensive income		
Revaluations transferred to reserves ¹	216,690	117,343
Make good transferred to reserves	(19)	(19)
Actuarial (loss) through equity	(2,367)	(1,787)
Transfers (to) / from the Australian Government		
Appropriation transfers from Official Public Account		
Annual appropriation for administered expenses (non-corporate Commonwealth entities and companies) ²	52,677	49,694
Annual appropriation for payment to corporate Commonwealth entities and companies	131,954	122,146
Transfers (to) Official Public Account ²	(7,613)	(3,748)
Equity injection to corporate Commonwealth entities and companies	28,250	26,192
Closing assets less liabilities as at 30 June	4,165,771	3,921,253

¹ For further information, refer to Note 4.1 Investments in corporate Commonwealth entities and companies.

² MOU arrangement with Net Zero Economy Authority post establishment shows an increase in drawdown from and receipt to Consolidated Revenue Funds compared to prior year. This was replaced with third party drawdown in the Central Budgeting Management System which concluded on the 30 June 2025.

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 2025

	2025 \$'000	2024 \$'000
OPERATING ACTIVITIES		
Cash received		
GST received (net)	3,705	2,570
Other	351	1,138
Total cash received	4,056	3,708
Cash used		
Employees	3,241	2,204
Suppliers	12,410	6,925
Grant payments	30,788	37,822
Payments to corporate Commonwealth entities and companies	131,954	122,146
Interest payments on lease liabilities	55	19
Total cash used	178,448	169,116
Net cash (used by) operating activities	(174,392)	(165,408)
INVESTING ACTIVITIES		
Cash used		
Purchase of property, plant and equipment	2,210	2,276
Payments to corporate Commonwealth entities and companies	28,250	26,192
Total cash used	30,460	28,468
Net cash (used by) investing activities	(30,460)	(28,468)
FINANCING ACTIVITIES		
Cash used		
Principal payments of lease liabilities	416	408
Total cash used	416	408
Net cash (used by) financing activities	(416)	(408)
Net (decrease) in cash held	(205,268)	(194,284)
Cash and cash equivalents at the beginning of the reporting period	-	-
Cash from Official Public Account		
Appropriations ¹	212,881	198,032
Total cash from the Official Public Account	212,881	198,032
Cash to Official Public Account		
Appropriations ¹	(7,613)	(3,748)
Total cash to the Official Public Account	(7,613)	(3,748)
Cash and cash equivalents at the end of the reporting period	-	-
¹ MOU arrangement with Net Zero Economy Authority post establishment shows an increase in drawdown from and receipt to Consolidated Revenue Funds compared to prior year. This was replaced with third party drawdown in the Central Budgeting Management System which concluded on the 30 June 2025.		

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
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for the period ended 30 June 2025

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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 2025

Overview

Objectives of the Department of the Prime Minister and Cabinet

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

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

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

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

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

Basis of preparation of the financial statements

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

The financial statements have been prepared in accordance with:

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

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

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

Taxation

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

New Australian accounting standards

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

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

Events after reporting period

On 11 December 2024, the Net Zero Economy Authority (the Authority) was established, a non-corporate Commonwealth entity, established through the Net Zero Economy Authority Act 2024 (the NZEA Act) to promote orderly and positive economic transformation to a net zero economy.

Full year appropriation funding has been transferred via Section 75 in 2024-25 as part of the establishment of the Authority. Section 72 transfer of employees will occur in 2025-26.

Prior period error

Torres Strait Regional Authority (TSRA) have updated their 2024 comparative net asset figure from \$128.983 million to \$125.780 million in its unaudited financial statements due to a prior period error that has been identified in 2025. The flow on impact throughout the statements have been reflected accordingly with the relevant footnote. Refer to Note 4.1 Investments in corporate Commonwealth entities and companies.

For 2025, the prior period error adjustment has flowed through to the opening balance in the Administered Reconciliation Schedule.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2025

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 2025.

1.1. Expenses

	2025 \$'000	2024 \$'000
<u>Note 1.1A: Employee benefits</u>		
Wages and salaries	148,628	147,939
Superannuation		
Defined contribution plans	19,500	18,536
Defined benefit plans	6,333	6,530
Leave and other entitlements	20,476	20,551
Separation and redundancies	367	114
Other	864	659
Total employee benefits	196,168	194,329

Accounting Policy

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

Note 1.1B: Suppliers

Goods and services

Consultants, legal and contractors	29,428	30,780
Secondees	3,657	10,483
Equipment, repairs and maintenance	265	611
General expenses	4,186	6,013
Recruitment	1,385	2,431
Venue hire	23	7,700
Advertising and market research	465	462
Training	3,784	4,635
Office accommodation and facility management	3,686	9,532
Security	1,165	5,698
Information, communication and technology	27,074	31,908
Travel	2,092	6,840
Audit fees	213	213
Total goods and services	77,423	117,306

Goods supplied	2,398	12,800
Services rendered	75,025	104,506
Total goods and services supplied and rendered	77,423	117,306

Other suppliers

Short-term leases	381	399
Workers compensation expenses	414	420
Total other supplier expenses	795	819
Total suppliers	78,218	118,125

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 2025

	2025	2024
	\$'000	\$'000
<u>Note 1.1C: Finance costs</u>		
Interest on lease liabilities	<u>1,073</u>	<u>1,181</u>
Total finance costs	<u>1,073</u>	<u>1,181</u>

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2025

1.2. Own-source revenue

	2025	2024
	\$'000	\$'000
Own-source revenue		
<u>Note 1.2A: Revenue from contracts with customers</u>		
Revenue from contracts with customers	48,844	36,634
Total revenue from contracts with customers	48,844	36,634
Disaggregation of revenue from contracts with customers		
Delivery of services	33,662	34,512
Cost recovery	15,182	2,122
	48,844	36,634
Type of customer		
Government entities (related parties)	48,493	36,108
Non-government entities	351	526
	48,844	36,634
Timing of transfer of goods and services		
Over time	48,844	36,634
	48,844	36,634

Accounting Policy

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

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

PM&C's principal activity in generating own source revenue is through the delivery of corporate services to 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. 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	3,729	8,342
Remuneration of auditors	213	213
Total resources received free of charge	3,942	8,555

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.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2025

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

	2025	2024
	\$'000	\$'000
<u>Note 2.1A: Employee benefits</u>		
Wages and salaries	2,658	1,705
Superannuation		
Defined contribution plans	328	184
Defined benefit plans	74	79
Leave and other entitlements	316	321
Total employee benefits	3,376	2,289
<u>Note 2.1B: Suppliers</u>		
Goods and services		
Outsourced providers, contractors and consultants	313	321
Equipment, repairs and maintenance	729	750
Utilities	167	109
Commemorative occasions and gifts	199	303
Visitor functions and official residence	240	254
General expenses	345	490
Travel	2,726	2,768
Advertising and market research	3,735	554
Information, communication and technology	96	108
Total goods and services	8,550	5,657
Goods supplied	910	741
Services rendered	7,640	4,916
Total goods and services supplied and rendered	8,550	5,657
Other suppliers		
Workers compensation expenses	5	4
Total other supplier expenses	5	4
Total suppliers	8,555	5,661

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2025

	2025 \$'000	2024 \$'000
<u>Note 2.1C: Grants</u>		
Public sector		
Australian Government entities	15,956	16,641
Private sector		
Non-profit organisations	10,805	15,873
Commercial entities	2,900	3,441
Total grants	29,661	35,955
Program 1.1 – Prime Minister and Cabinet	29,661	35,955
Total grants	29,661	35,955

Accounting Policy

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

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

<u>Note 2.1D: Finance costs</u>		
Service costs	836	4,881
Interest on lease liabilities	55	19
Total finance costs	891	4,900

The above lease disclosures should be read in conjunction with the accompanying accounting policy note 4.2 and note 4.3.

<u>Note 2.1E: Payments to corporate Commonwealth entities and companies</u>		
Aboriginal Hostels Limited	44,416	43,092
Australian Institute of Aboriginal and Torres Strait Islander Studies	29,343	22,575
Indigenous Business Australia	9,885	9,420
Indigenous Land and Sea Corporation	10,087	9,812
Torres Strait Regional Authority	38,223	37,247
Total payments to corporate Commonwealth entities and companies	131,954	122,146

Accounting Policy

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2025

2.2. Administered – Income		
	2025	2024
	\$'000	\$'000
<u>Note 2.2A: Other revenue</u>		
Return of grant funding	349	1,110
Other	-	30
Total other revenue	349	1,140
Accounting Policy		
All administered revenue relates to ordinary activities performed by PM&C on behalf of the Government. As such, administered appropriations are not revenues of the individual entity. PM&C oversees distribution or expenditure of the funds as directed.		

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2025

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

	2025	2024
	\$'000	\$'000
<u>Note 3.1: Trade and other receivables</u>		
Goods and services receivables		
Goods and services	14,531	7,287
Total goods and services receivables	14,531	7,287
Appropriation receivables		
Existing programs	68,614	68,281
Total appropriation receivables	68,614	68,281
Other receivables		
Statutory receivables	1,171	1,612
Total other receivables	1,171	1,612
Total trade and other receivables (gross)	84,316	77,180
Less expected credit loss allowance		
Goods and services	-	(145)
Total expected credit loss allowance	-	(145)
Total trade and other receivables (net)	84,316	77,035

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2025

3.2. Non-financial assets

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

	Buildings \$'000	Leasehold improvements \$'000	Plant and equipment \$'000	Computer software internally developed \$'000	Computer software purchased \$'000	Total \$'000
As at 1 July 2024						
Gross book value	-	-	-	35,613	359	35,972
Fair value	131,935	43,652	23,080	-	-	198,667
Work in progress	-	-	970	8,647	132	9,749
Accumulated depreciation/amortisation and impairment	(52,701)	(18,154)	(8,054)	(30,519)	(312)	(109,740)
Total as at 1 July 2024	79,234	25,498	15,996	13,741	179	134,648
Additions						
Purchase	-	1,114	2,652	8,242	-	12,008
Right-of-use assets	43	-	48	-	-	91
Revaluations recognised in other comprehensive income	-	807	685	-	-	1,492
Depreciation and amortisation	-	(3,301)	(5,069)	(2,458)	(12)	(10,840)
Depreciation on right-of-use assets	(9,568)	-	(35)	-	-	(9,603)
Write-down and impairment recognised in expenses	-	-	(41)	(312)	(132)	(485)
Total as at 30 June 2025	69,709	24,118	14,236	19,213	35	127,311
Total as at 30 June 2025 represented by						
Gross book value	-	-	-	43,758	227	43,985
Fair value	129,069	41,762	20,756	-	-	191,587
Work in progress	-	551	1,196	8,329	132	10,208
Accumulated depreciation, amortisation and impairment	(59,360)	(18,195)	(7,716)	(32,874)	(324)	(118,469)
Total as at 30 June 2025	69,709	24,118	14,236	19,213	35	127,311
Carrying amount of right-of-use assets ¹	69,709	-	55	-	-	69,764

¹ Relates to asset closing balance for right-of-use assets as at 30 June 2025.

DEPARTMENT OF THE PRIME MINISTER AND CABINET

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the period ended 30 June 2025

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 2024-25, PM&C procured the services of independent valuation experts (Opteon) to perform a desktop valuation of departmental property, plant and equipment and leasehold improvements as at 30 June 2025.

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 2025-26.

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2025

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 2024-25.

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 ¹
Buildings excluding leasehold improvements	6 to 50 years (2024: 6 to 50 years)
Leasehold improvements	Lease term (2024: Lease term)
Plant and equipment	1 to 50 years (2024: 1 to 50 years)
Artwork (Plant and equipment)	100 years (2024: 100 years)
Intangibles	2 to 7 years (2024: 2 to 7 years)

¹ Useful lives have been updated to be in line with the department's asset policy.

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
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2025

3.3. Prepayments

	2025	2024
	\$'000	\$'000
Note 3.3: Prepayments		
Prepayments	10,051	6,347
Total Prepayments ¹	10,051	6,347

¹ Higher prepayment expenditure is primarily due to various ICT software, subscription renewals and support.

3.4. Payables

Note 3.4A: Suppliers

Trade creditors and accruals	9,944	10,607
Total suppliers	9,944	10,607

Settlement usually made within 20 days.

Note 3.4B: Other payables

Salaries, wages and superannuation	5,915	4,723
Unearned income	817	809
Other ¹	4,977	4,526
Total other payables	11,709	10,058

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

Accounting Policy

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

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2025

3.5. Interest bearing liabilities

	2025	2024
	\$'000	\$'000
Note 3.5: Leases		
Lease liabilities		
Buildings	79,874	88,586
Plant and equipment	55	43
Total lease liabilities	79,929	88,629

Total cash outflows for leases for the year ended 30 June 2025 was \$10.245 million (2024: \$10.706 million).

Maturity analysis – contractual undiscounted cash flows

Less than 12 months	10,103	9,807
Between one to five years	42,311	41,260
More than five years	31,630	42,746
Total leases	84,044	93,813

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

- 1) One National Circuit, Barton, ACT – The lease has a remaining term of 7.64 years. There are no options to extend this lease and the lease expiry date is 16 February 2033.
- 2) Level 1, 10 National Circuit, Barton, ACT – The lease has a remaining term of 1.09 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.

3.6. Make good provision

	Make good provision	Total
	\$'000	\$'000
As at 1 July 2024	513	513
Additional provisions made ¹	43	43
Total as at 30 June 2025	556	556

¹ Make good provision made due to increased labour cost and building materials as at 30 June 2025, with indexation and discounted by the Australian Spot Bond Rate provided by Jones Lang LaSalle valuers.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2025

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

	2025	2024
	\$'000	\$'000
Note 4.1: Investments in corporate Commonwealth entities and companies		
Equity interest in		
Aboriginal Hostels Limited	163,797	169,267
Anindilyakwa Land Council	21,735	18,595
Australian Institute of Aboriginal and Torres Strait Islander Studies	56,971	51,289
Central Land Council	104,011	96,164
Indigenous Land and Sea Corporation	360,933	371,404
Indigenous Business Australia	2,311,862	2,178,160
National Australia Day Council Limited	1,614	1,509
Northern Land Council	112,775	56,786
Outback Stores Pty Ltd	45,102	43,039
Tiwi Land Council	11,175	12,434
Torres Strait Regional Authority ¹	126,873	125,780
Wreck Bay Aboriginal Community Council	88,923	75,698
Aboriginal Investment NT	692,908	679,841
Total investments in corporate Commonwealth entities and companies	4,098,679	3,879,966

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

¹ Torres Strait Regional Authority (TSRA) have updated their 2024 comparative net asset figure from \$128.983 million to \$125.780 million in its unaudited financial statements due to a prior period error that has been identified in 2025. The flow on impact throughout the statements have been reflected accordingly with the relevant footnote. For 2025, the prior period error adjustment has flowed through to the opening balance in the Administered Reconciliation Schedule.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2025

Investment in corporate Commonwealth entities and companies

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

Aboriginal Hostels Limited

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

Australian Institute of Aboriginal and Torres Strait Islander Studies

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

Land Councils

The Land Councils include:

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

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

Indigenous Land and Sea Corporation

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

Indigenous Business Australia

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

National Australia Day Council Limited

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

Outback Stores Pty Ltd

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

Torres Strait Regional Authority

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

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Investment in Commonwealth entities (continued)

Aboriginal Investment NT (formerly known as Northern Territory Aboriginal Investment Corporation)

Aboriginal Investment NT assists 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 2025. 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.

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4.2. Administered – Non-financial assets

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

	Land \$'000	Buildings \$'000	Leasehold improvements \$'000	Plant and equipment \$'000	Total \$'000
As at 1 July 2024					
Fair value	52,570	8,752	521	1,393	63,236
Work in progress	-	1,756	314	309	2,379
Accumulated depreciation and impairment	-	(1,435)	(148)	(792)	(2,375)
Total as at 1 July 2024	52,570	9,073	687	910	63,240
Adjustment for rounding	-	-1	-	1	0
Adjusted total as at 1 July 2024	52,570	9,072	687	911	63,240
Additions					
Purchases	-	929	922	359	2,210
Right-of-use assets	-	1,795	-	59	1,854
Revaluations recognised in other comprehensive income	25,530	537	15	146	26,228
Depreciation expense	-	(123)	(325)	(192)	(640)
Depreciation on right-of-use assets	-	(332)	-	(25)	(357)
Total as at 30 June 2025	78,100	11,875	1,302	1,258	92,535
Total as at 30 June 2025 represented by					
Fair value	78,100	13,396	1,674	1,757	94,927
Work in progress	-	50	3	318	371
Accumulated depreciation and impairment	-	(1,571)	(375)	(817)	(2,763)
Total as at 30 June 2025	78,100	11,875	1,302	1,258	92,535
Carrying amount of right-of-use assets ¹	-	1,764	-	56	1,820

¹ Relates to asset closing balance for right-of-use assets as at 30 June 2025.

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Accounting Policy	
Revaluation	
In 2024-25, PM&C procured the services of independent valuation experts (Jones Lang LaSalle) to perform a valuation of administered land, buildings and property, plant and equipment and leasehold improvements assets as at 30 June 2025 via physical inspection.	
The experts provided written assurance that the models developed to value assets are in compliance with accounting and valuation standards. The valuations also took into consideration that real estate markets and in particular certain niches in the market (unique properties such as those held by PM&C) are less volatile.	
The valuation methodologies used (the market approach and the depreciated replacement cost method) have reflected current market conditions.	
Depreciation	
Depreciation rates applying to each class of depreciable asset are based on the following useful lives for the current and prior reporting periods.	
Asset class	Useful lives ¹
Buildings excluding leasehold improvements	6 to 50 years (2024: 6 to 50 years)
Leasehold improvements	Lease term (2024: Lease term)
Plant and equipment	1 to 50 years (2024: 1 to 50 years)
¹ Useful lives have been updated to be in line with the department's asset policy.	

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4.3. Administered – Interest bearing liabilities

	2025 \$'000	2024 \$'000
Note 4.3: Leases		
Lease liabilities		
Buildings	2,407	311
Plant and equipment	56	22
Total finance leases	2,463	333
Maturity analysis - contractual undiscounted cash flows		
Less than 12 months	820	180
Between one to five years	1,990	165
Total leases	2,810	345

Total cash outflows for leases for the year ended 30 June 2025 was \$0.471 million (2024: \$0.427 million).

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

- 1) Level 21 (part), 101 Collins Street Melbourne VIC – The lease has a remaining term of 1 year with the expiry date of 30 June 2026.
- 2) Level 9 (part), 224 Bunda Street Canberra ACT – New contract executed on 1 October 2024. The lease has a remaining term of 4.17 years with the expiry date of 30 August 2029. There is an option to extend the lease by five years.
- 3) Level 13 (part), 139 Macquarie Street Sydney NSW – New contract executed on 11 November 2024. The lease has a remaining term of 3.92 years with the expiry date of 31 May 2029.
- 4) Level 4 (part), Waterfront Place Brisbane QLD – New contract fully executed on 5 June 2025. The lease has a remaining term of 3.78 years with the expiry date of 8 Apr 2029.

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

4.4. Administered – Make good provision

	Make good provision \$'000	Total \$'000
As at 1 July 2024	295	295
Amounts used ¹	(68)	(68)
Additional provision made ²	256	256
Total as at 30 June 2025	483	483

¹ Make good provision used relates to lease handed back for GF Murray Crescent Canberra.

² Make good provision made predominantly relates to L4 Waterfront Place Brisbane. The others are due to increased labour cost and building materials as at 30 June 2025, with indexation applied and discounted by the Australian Spot Bond Rate provided by Jones Lang LaSalle valuers.

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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')

	2025	2024
	\$'000	\$'000
Ordinary annual services		
Annual Appropriation		
Operating ¹	273,631	303,944
Capital budget	23,411	11,490
Section 74 receipts	80,236 ²	64,542
Section 75 transfers (prior year)	(1,989) ²	(1,353) ³
Section 75 transfers (current year)	(45,127) ²	(8,020) ³
Total available appropriation	330,162	370,603
Appropriation applied (current and prior years)	(329,904)	(347,086)
Variance	256	23,517
Opening unspent appropriation balance	91,157	67,640
Repeal of <i>Appropriation Act (No. 3) 2021-22</i> ⁴	(5,193)	-
Closing unspent appropriation balance	86,222	91,157
Balance comprises appropriations as follows:		
<i>Appropriation Act (No. 3) 2021-22</i> ⁴	-	5,193
<i>Appropriation Act (No. 1) 2022-23</i> ⁵	12,188	12,188
<i>Appropriation Act (No. 1) 2023-24</i> ⁶	3,937	51,483
<i>Appropriation Act (No. 1) 2023-24 – Capital Budget (DCB) – Non Operating</i>	9,034	9,034
<i>Appropriation Act (No. 3) 2023-24</i>	3,416	11,231
<i>Appropriation Act (No. 5) 2023-24</i>	356	356
<i>Appropriation Act (No. 1) 2023-24 cash held by the department</i> ⁷	-	1,672
<i>Appropriation Act (No. 1) 2024-25 cash held by the department</i> ⁷	1,594	-
<i>Appropriation Act (No. 1) 2024-25</i>	17,252	-
<i>Appropriation Act (No. 1) 2024-25 – Capital Budget (DCB) – Non Operating</i>	342	-
<i>Appropriation Act (No. 3) 2024-25</i>	29,069	-
<i>Appropriation Act (No. 3) 2024-25 – Capital Budget (DCB) – Non Operating</i>	9,034	-
Total unspent appropriation - ordinary annual services	86,222	91,157

¹ Revenue from Government reported in the Statement of Comprehensive Income is \$230.590 million less than appropriated. The difference relates to reduction in *Appropriation Act (No. 1) 2024-2025* of \$43.040 million (Section 75 – refer footnote 2).

² Net Zero Economy Agency was abolished as an Executive Agency in the Department of the Prime Minister and Cabinet with effect 11 December 2024, in line with the establishment of the Net Zero Economy Authority (the Authority) on the same date. Refer to Note 8.2 Restructuring. Section 74 includes \$20.621 million related to principal / agent relationship with the Authority.

³ On 23 May 2023, the Prime Minister wrote to the Minister of the Public Service advising the transfer of responsibility for the Australian Public Sector Reform Office to the Australian Public Service Commission. Refer to Note 8.2 Restructuring.

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

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

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

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

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Note 5.1B: Administered annual and unspent appropriations ('recoverable GST exclusive')

	2025	2024
	\$'000	\$'000
Ordinary annual services		
Annual Appropriation		
Operating	53,292	55,881
Capital budget	3,552	1,749
Payments to corporate Commonwealth entities/companies	131,954	122,146
Section 75 transfers (current year) ¹	(5,115)	-
Total available appropriation	183,683	179,776
Appropriation applied (current and prior years)	(182,023)	(169,495)
Variance	1,660	10,281
Opening unspent appropriation balance	20,977	16,187
Repeal of <i>Annual Appropriation Acts 2020-21</i>	-	(5,491)
Repeal of <i>Annual Appropriation Acts 2021-22</i>	(7,651)	-
Closing unspent appropriation balance	14,986	20,977
Balance comprises appropriations as follows:		
<i>Appropriation Act (No. 1) 2021-22</i>	-	3,297
<i>Appropriation Act (No. 3) 2021-22</i>	-	4,354
<i>Supply Act (No. 3) 2022-23 – Capital Budget (DCB) – Non Operating</i>	742	742
<i>Appropriation Act (No. 1) 2022-23</i>	-	25
<i>Appropriation Act (No. 1) 2023-24</i>	4,050 ^{2, 3}	7,509 ²
<i>Appropriation Act (No. 1) 2023-24 – Capital Budget (DCB) – Non Operating</i>	1,749	1,749
<i>Appropriation Act (No. 3) 2023-24</i>	493	2,362
<i>Appropriation Act (No. 5) 2023-24</i>	939	939
<i>Appropriation Act (No. 1) 2024-25 ³</i>	5,546	-
<i>Appropriation Act (No. 3) 2024-25</i>	124	-
<i>Appropriation Act (No. 3) 2024-25 – Capital Budget (DCB) – Non Operating</i>	1,343	-
Total unspent appropriation - ordinary annual services	14,986	20,977
Other services		
Annual Appropriation		
Payments to corporate Commonwealth entities/companies	28,250	26,192
Total available appropriation	28,250	26,192
Unspent corporate Commonwealth Entity Payments ⁴	2,000	-
Total unspent appropriation	16,986	20,977

¹ Net Zero Economy Agency was abolished as an Executive Agency in the Department of the Prime Minister and Cabinet with effect 11 December 2024, in line with the establishment of the Net Zero Economy Authority (the Authority) on the same date. Refer to Note 8.2 Restructuring.

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

³ The annual appropriations is shown inclusive of appropriations withheld under section 51 of the PGPA Act against *Appropriation Act (No. 1) 2023-24* (\$3.190 million) and *Appropriation Act (No. 1) 2024-25* (\$3.337 million) which relates to Social Impact Investing transferred to Department of Social Services.

⁴ This relates to appropriation not yet drawn down by Indigenous Business Australia as the associated First Nations Economic Empowerment policy partnership is currently under negotiation.

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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<u>Note 5.1C: Disclosure by agent in relation to annual appropriations ('recoverable GST exclusive')</u>			
Payments are made from appropriations administered by other entities. The related revenue, expense, assets, liabilities and cash flows are disclosed in the financial statements of the relevant government entity which is responsible for the outcomes to which the items relate.			
Entity	Total receipts 2025 \$'000	Total payments 2025 \$'000	Purpose of payment
Net Zero Economy Authority	50	50	Third party drawing rights concluded on the 30 June 2025 due to the principal / agent relationship with the Authority. Refer Note 8.2 Restructuring.

5.2. Special Accounts

For the year ended 30 June 2025, the Services for Other Entities and Trust Moneys ¹ account had a \$50.05 receipt balance.

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

¹ *Appropriation: Public Governance, Performance and Accountability Act 2013; section 78*
Establishing Instrument: PGPA Act Determination (SOETM Special Account 2018).
 Purpose: This account was created to disburse amounts held on trust or otherwise for the benefit of a person other than the Commonwealth.
 This account is non-interest bearing.

5.3. Special Appropriations

There was no appropriation applied against *Public Governance, Performance and Accountability Act 2013; section 77* in 2024-25 or 2023-24.

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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

	2025	2024
	\$'000	\$'000
Note 6.1A: Employee provisions		
Annual leave	21,450	21,544
Long service leave	33,503	31,829
Total employee provisions	54,953	53,373

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.
<u>Leave</u>
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.
<u>Separation and redundancy</u>
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 <i>Public Service Act 1999</i> 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.
<u>Superannuation</u>
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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	2025	2024
	\$'000	\$'000
<u>Note 6.1B: Administered employee provisions</u>		
Annual leave	322	360
Long service leave	519	390
Total employee provisions	841	750

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	21,023	19,256
Total non-cash benefits – former Governors-General benefits	21,023	19,256

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

Net liability at 1 July 2024	19,256	13,946
Current service cost	-	4,334
Finance costs	836	561
Actuarial losses	2,367	1,787
Benefits paid	(1,436)	(1,372)
Net liability at 30 June 2025	21,023	19,256

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

Discount rate at 30 June 2025	4.13%	4.34%
Future salary increases	3.70%	3.70%
Inflation rate	2.50%	2.50%
Rate of expenditure slow down over time	2.00%	2.00%

Accounting Policy

Former Governors-General benefits

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

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

Significant accounting judgements and estimates

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

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6.2. Key management personnel remuneration		
	2025	2024
	\$'000	\$'000
Short-term employee benefits	3,437	4,249
Post-employment benefits	427	518
Other long-term employee benefits	166	100
Total key management personnel remuneration expenses ¹	4,030	4,867

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

The total number of KMP included in the above table is 11 (2024: 16).

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

The reduction is due to the establishment of Net Zero Economy Authority in December 2025 and the transfer of the APS Reform Office to the Australian Public Service Commission in December 2024. The department also had a decrease in the number of applicable acting arrangements throughout the year, which contributed to a reduction in total numbers of KMP.

The number of KMP roles is six (2024: eight)

The department had a decreased in KMP roles due to the establishment of Net Zero Economy Authority on the 11 December 2024.

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

6.3. Related party disclosures

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

Significant transactions with related parties can include:

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

Transactions with related parties

No transactions with related parties were identified during the 2024-25 financial year.

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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 2025 (2024: nil).

Unquantifiable contingencies

As at 30 June 2025, there are two open legal matters relating to a range of legal issues with varying probabilities of success (2024: three). It is not possible to estimate the amounts of 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 2025.

7.2. Financial instruments

	2025	2024
	\$'000	\$'000
Note 7.2A: Categories of financial instruments		
Financial assets at amortised cost		
Cash and cash equivalents	1,594	1,672
Goods and services receivables (net)	7,312	2,929
Accrued revenue	4,066	5,763
Total financial assets at amortised cost	12,972	10,364
Total financial assets	12,972	10,364
Financial liabilities		
Financial liabilities measured at amortised cost		
Trade creditors and accruals	9,944	10,607
Total financial liabilities measured at amortised cost	9,944	10,607
Total financial liabilities	9,944	10,607

Note 7.2B: Net gains or losses on financial assets

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

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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

	2025 \$'000	2024 \$'000
<u>Note 7.3A: Categories of financial instruments</u>		
Financial assets at amortised cost		
Goods and services receivable (net)	-	2
Total financial assets at amortised cost	-	2
Financial assets at fair value through other comprehensive income		
Investments in corporate Commonwealth entities ¹	4,098,679	3,879,966
Total financial assets at fair value through other comprehensive income	4,098,679	3,879,966
Total financial assets	4,098,679	3,879,968
Financial liabilities		
Financial liabilities measured at amortised cost		
Trade creditors and accruals	577	1,455
Total financial liabilities measured at amortised cost	577	1,455
Total financial liabilities	577	1,455
<u>Note 7.3B: Net gains or losses on financial instruments</u>		
Investment in equity instruments at fair value through other comprehensive income		
Changes in investments in corporate Commonwealth entities ¹	190,463	116,331
Net gain on investments in equity instruments at fair value through other comprehensive income	190,463	116,331

¹ For further information, refer to Note 4.1 Investments in corporate Commonwealth entities and companies.

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8. Other information

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

	2025	2024
	\$'000	\$'000
Note 8.1A: Current/non-current distinction for assets and liabilities		
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	1,594	1,672
Trade and other receivables	84,316	77,035
Prepayments	8,974	5,674
Accrued revenue	4,066	5,763
Total no more than 12 months	98,950	90,144
More than 12 months		
Leasehold improvements	24,117	25,498
Buildings	69,708	79,234
Plant and equipment	14,238	15,996
Intangibles	19,248	13,920
Prepayments	1,077	673
Total more than 12 months	128,388	135,321
Total assets	227,338	225,465
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	9,944	10,607
Other payables	11,709	10,058
Leases	9,141	8,735
Employee leave	15,545	15,384
Total no more than 12 months	46,339	44,784
More than 12 months		
Leases	70,788	79,894
Employee leave	39,408	37,989
Make good provision	556	513
Total more than 12 months	110,752	118,396
Total liabilities	157,091	163,180

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2025

	2025	2024
	\$'000	\$'000
Note 8.1B: Administered – Current/non-current distinction for assets and liabilities		
Assets expected to be recovered in:		
No more than 12 months		
Cash	-	-
Trade and other receivables	45	175
Prepayments	65	59
Total no more than 12 months	110	234
More than 12 months		
Property, plant and equipment	92,535	63,240
Investments in corporate Commonwealth entities ¹	4,098,679	3,879,966
Total more than 12 months	4,191,214	3,943,206
Total assets	4,191,324	3,943,440
Liabilities expected to be settled in:		
No more than 12 months		
Trade creditors and accruals	577	1,455
Other payables	166	98
Leases	699	171
Employee provisions	234	246
Non-cash benefits – former Governors-General ²	1,610	1,684
Make good provisions	127	68
Total no more than 12 months	3,413	3,722
More than 12 months		
Leases	1,764	162
Employee provisions	607	504
Non-cash benefits – former Governors-General	19,413	17,572
Make good provisions	356	227
Total more than 12 months	22,140	18,465
Total liabilities	25,553	22,187

¹ For further information, refer to Note 4.1 Investments in corporate Commonwealth entities and companies.

² The department have reassessed and provided the split according to the actuarial estimation made each year.

DEPARTMENT OF THE PRIME MINISTER AND CABINET NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the period ended 30 June 2025

8.2. Restructuring

On 11 December 2024, the Net Zero Economy Authority (the Authority) was established, a non-corporate Commonwealth entity, established through the *Net Zero Economy Authority Act 2024* (the NZEA Act) to promote orderly and positive economic transformation to a net zero economy.

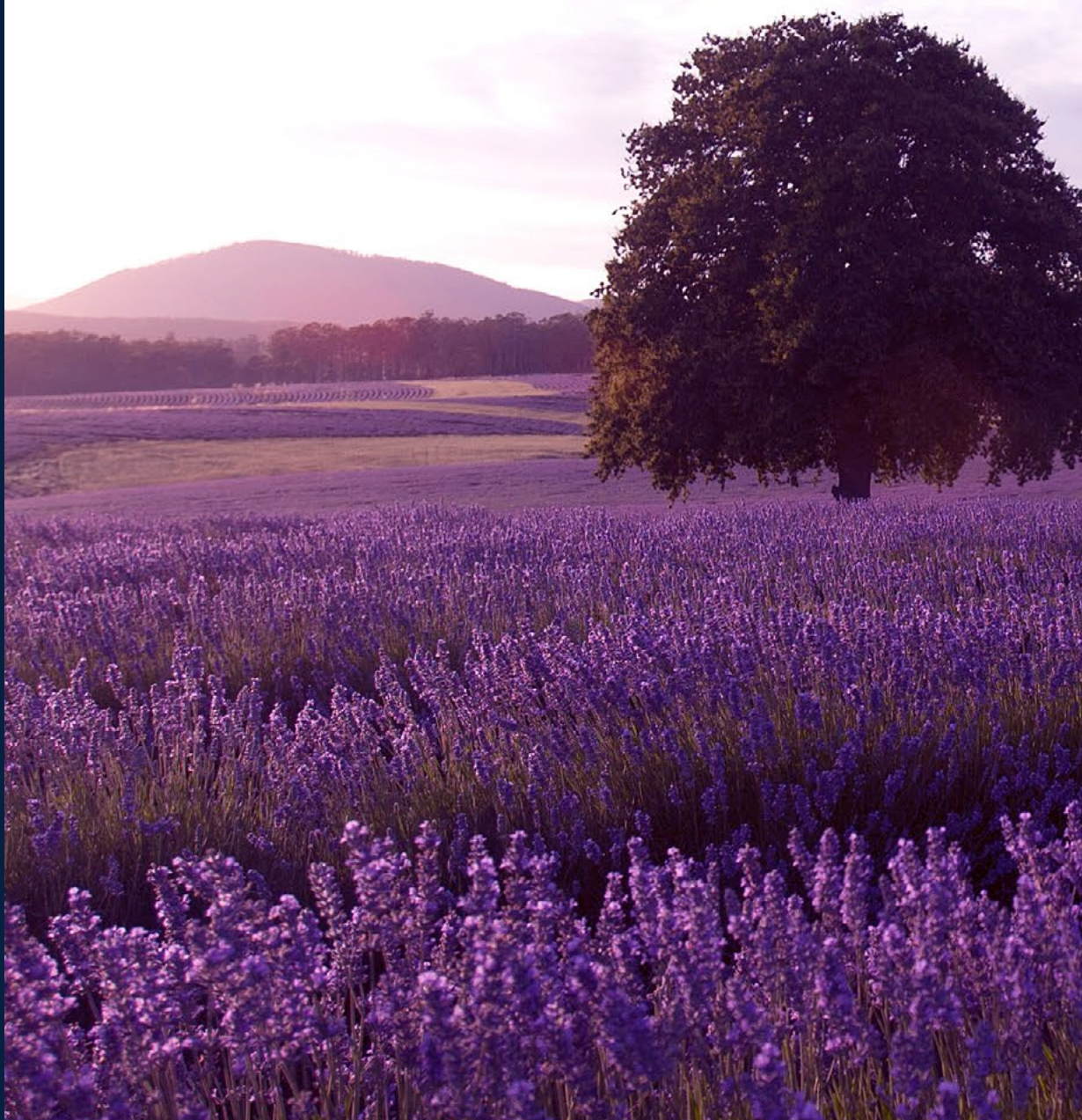
	2025	2024
	Net Zero Economy Authority ¹ \$'000	Australian Public Service Commission ² \$'000
FUNCTION RELINQUISHED		
Assets relinquished		
Appropriation receivable	1,989	1,353
Appropriation receivable - DCB	2,086	-
Intangibles	-	-
Total assets relinquished	4,075	1,353
Liabilities relinquished		
Employee provisions	-	1,353
Supplier payables	-	-
Total liabilities relinquished	-	1,353
Net assets relinquished	4,075	-

¹ Net Zero Economy Agency was abolished as an Executive Agency in the Department of the Prime Minister and Cabinet with effect 11 December 2024, in line with the establishment of the Net Zero Economy Authority (the Authority) on the same date. Total 2024-25 appropriation transferred to the Authority is separately disclosed in Note 5.1 Appropriations. The section 72 transfer of employees will occur in 2025-26, in the interim, the staff are treated as secondees. Recognition of revenue for secondees to the Authority is outlined in Note 1.2A.

² Responsibility for the Australian Public Sector Reform Office was relinquished to Australian Public Service Commission (APSC). A total *Appropriation Act (No.1) 2023-24* of \$8.020 million was transferred to APSC via section 75 transfer. This is separately disclosed in Note 5.1 Appropriations.



Appendix





Appendix A: List of requirements

Table A1 lists annual report requirements in the Public Governance, Performance and Accountability Rule 2014 (PGPA Rule), and provides page references for where these items appear in this report.

Table A1: List of annual report requirements, 2024–25

PGPA Rule reference	Description	Requirement	Page
17AD(g)	Letter of transmittal		
17AI	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 PGPA Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory	iv
17AD(h)	Aids to access		
17AJ(a)	Table of contents.	Mandatory	v
17AJ(b)	Alphabetical index.	Mandatory	180–187
17AJ(c)	Glossary, and list of abbreviations and acronyms.	Mandatory	177–179
17AJ(d)	List of requirements.	Mandatory	167–176
17AJ(e)	Details of contact officer.	Mandatory	ii
17AJ(f)	Entity’s website address.	Mandatory	ii
17AJ(g)	Electronic address of report.	Mandatory	ii
17AD(a)	Review by accountable authority		
17AD(a)	A review by the accountable authority of the entity.	Mandatory	1–4
17AD(b)	Overview of the entity		
17AE(1)(a)(i)	A description of the role and functions of the entity.	Mandatory	12
17AE(1)(a)(ii)	A description of the organisational structure of the entity.	Mandatory	14

PGPA Rule reference	Description	Requirement	Page
17AE(1)(a)(iii)	A description of the outcomes and programs administered by the entity.	Mandatory	14
17AE(1)(a)(iv)	A description of the purposes of the entity as included in corporate plan.	Mandatory	11
17AE(1)(aa)(i)	Name of the accountable authority or each member of the accountable authority.	Mandatory	13
17AE(1)(aa)(ii)	Position title of the accountable authority or each member of the accountable authority.	Mandatory	13
17AE(1)(aa)(iii)	Period as the accountable authority or member of the accountable authority within the reporting period.	Mandatory	13
17AE(1)(b)	An outline of the structure of the portfolio of the entity.	Portfolio departments – mandatory	10–11
17AE(2)	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statements, Portfolio Additional Estimates Statements or other portfolio estimates statements that were prepared for the entity for the period, include details of variation and reasons for change.	If applicable, mandatory	N/A
17AD(c)	Report on the performance of the entity		
	Annual performance statements		
17AD(c)(i); 16F	Annual performance statements in accordance with paragraph 39(1)(b) of the PGPA Act and section 16F of the PGPA Rule.	Mandatory	23–58
17AD(c)(ii)	Report on financial performance		
17AF(1)(a)	A discussion and analysis of the entity's financial performance.	Mandatory	104
17AF(1)(b)	A table summarising the total resources and total payments of the entity.	Mandatory	105

PGPA Rule reference	Description	Requirement	Page
17AF(2)	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	N/A
17AD(d)	Management and accountability		
	Corporate governance		
17AG(2)(a)	Information on compliance with section 10 of the PGPA Rule (fraud and corruption systems).	Mandatory	iv
17AG(2)(b)(i)	A certification by accountable authority that fraud and corruption risk assessments and fraud and corruption control plans have been prepared.	Mandatory	iv
17AG(2)(b)(ii)	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud and corruption that meet the specific needs of the entity are in place.	Mandatory	iv
17AG(2)(b)(iii)	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud and corruption relating to the entity.	Mandatory	iv
17AG(2)(c)	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory	61–62
17AG(2)(d) – (e)	A statement of significant issues reported to minister under paragraph 19(1)(e) of the PGPA Act that relate to noncompliance with finance law and action taken to remedy noncompliance.	If applicable, mandatory	107

PGPA Rule reference	Description	Requirement	Page
	Audit committee		
17AG(2A)(a)	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory	63
17AG(2A)(b)	The name of each member of the entity's audit committee.	Mandatory	64–66
17AG(2A)(c)	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory	64–66
17AG(2A)(d)	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory	64–66
17AG(2A)(e)	The remuneration of each member of the entity's audit committee.	Mandatory	64–66
	External scrutiny		
17AG(3)	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory	68–69
17AG(3)(a)	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	69
17AG(3)(b)	Information on any reports on operations of the entity by the Auditor-General (other than a report under section 43 of the PGPA Act), a parliamentary committee, or the Commonwealth Ombudsman.	If applicable, mandatory	68
17AG(3)(c)	Information on any capability reviews on the entity that were released during the period.	If applicable, mandatory	N/A
	Management of human resources		
17AG(4)(a)	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory	70

PGPA Rule reference	Description	Requirement	Page
17AG(4)(aa)	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: • full-time employees • part-time employees • gender • staff location.	Mandatory	71–74
17AG(4)(b)	Statistics on the entity's APS employees on an ongoing and non-ongoing basis, including the following: • staffing classification level • full-time employees • part-time employees • gender • staff location • employees who identify as Indigenous.	Mandatory	75–82
17AG(4)(c)	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	84–85
17AG(4)(c)(i)	Information on the number of SES and non-SES employees covered by agreements, etc. identified in paragraph 17AG(4)(c).	Mandatory	85
17AG(4)(c)(ii)	The salary ranges available for APS employees by classification level.	Mandatory	85
17AG(4)(c)(iii)	A description of non-salary benefits provided to employees.	Mandatory	84
17AG(4)(d)(i)	Information on the number of employees at each classification level who received performance pay.	If applicable, mandatory	N/A
17AG(4)(d)(ii)	Information on aggregate amounts of performance pay at each classification level.	If applicable, mandatory	N/A

PGPA Rule reference	Description	Requirement	Page
17AG(4)(d)(iii)	Information on the average amount of performance payments, and range of such payments, at each classification level.	If applicable, mandatory	N/A
17AG(4)(d)(iv)	Information on aggregate amount of performance payments.	If applicable, mandatory	N/A
	Asset management		
17AG(5)	An assessment of effectiveness of asset management where asset management is a significant part of the entity's activities.	If applicable, mandatory	N/A
	Purchasing		
17AG(6)	An assessment of entity performance against the Commonwealth Procurement Rules.	Mandatory	107
	Reportable consultancy contracts		
17AG(7)(a)	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	107–108
17AG(7)(b)	A statement that '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].'	Mandatory	107

PGPA Rule reference	Description	Requirement	Page
17AG(7)(c)	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	107
17AG(7)(d)	A statement that '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.'	Mandatory	108
	Reportable non-consultancy contracts		
17AG(7A)(a)	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	109
17AG(7A)(b)	A statement that '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.'	Mandatory	109
17AD(daa)	Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts		
17AGA	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory	109

PGPA Rule reference	Description	Requirement	Page
	Australian National Audit Office access clauses		
17AG(8)	If an entity entered into a contract with a value of more than \$100,000 (inclusive of GST) and the contract did not provide the Auditor-General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, mandatory	111
	Exempt contracts		
17AG(9)	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 <i>Freedom of Information Act 1982</i> (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	N/A
	Small business		
17AG(10)(a)	A statement that '[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and medium-sized enterprise (SME) and small enterprise participation statistics are available on the Department of Finance's website.'	Mandatory	112
17AG(10)(b)	An outline of the ways in which the procurement practices of the entity support small and medium-sized enterprises.	Mandatory	112

PGPA Rule reference	Description	Requirement	Page
17AG(10)(c)	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	112
	Financial statements		
17AD(e)	Inclusion of the annual financial statements in accordance with subsection 43(4) of the PGPA Act.	Mandatory	116–164
	Executive remuneration		
17AD(da)	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2-3 of the PGPA Rule.	Mandatory	86–91
17AD(f)	Other mandatory information		
17AH(1)(a)(i)	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	113
17AH(1)(a)(ii)	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, mandatory	N/A

PGPA Rule reference	Description	Requirement	Page
17AH(1)(b)	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	114
17AH(1)(c)	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory	92
17AH(1)(d)	Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory	69
17AH(1)(e)	Correction of material errors in previous annual report.	If applicable, mandatory	N/A
17AH(2)	Information required by other legislation.	Mandatory	N/A

Acronyms and abbreviations

AGC	Australian Government Consulting
AGCMF	Australian Government Crisis Management Framework
ANAO	Australian National Audit Office
APEC	Asia-Pacific Economic Cooperation
APS	Australian Public Service
BETA	Behavioural Economics Team of the Australian Government
CPRs	Commonwealth Procurement Rules
CROMP	Climate Risk and Opportunity Management Program
DCCEEW	Department of Climate Change, Energy, the Environment and Water
DEWR	Department of Employment and Workplace Relations
DVSC	Defence and Veterans' Services Commission
ECEC	early childhood education and care
EL	Executive Level
FDV	family and domestic violence
FOI Act	<i>Freedom of Information Act 1982</i>
G7	Group of Seven
G20	Group of Twenty
GST	goods and services tax

KMP	key management personnel
NDIS	National Disability Insurance Scheme
OFW	Office for Women
OIA	Office of Impact Analysis
PDMS	Parliamentary Document Management System
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PGPA Rule	Public Governance, Performance and Accountability Rule 2014
PM&C	Department of the Prime Minister and Cabinet
PPL	Paid Parental Leave
PSM	Public Service Medal
SES	Senior Executive Service
SME	small and medium-sized enterprise
WBS	Women's Budget Statement

Glossary

Agency – A department of state, parliamentary department or prescribed agency under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

AUKUS – A trilateral security partnership between Australia, the United Kingdom and the United States.

Budget – The announced fiscal and economic outlook for Australia for a financial year. It includes expenditure and revenue estimates for the current financial year, the budget year and the 3 forward financial years.

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

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

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

Portfolio Budget Statements – Statements that explain where appropriated funds are to be spent for a portfolio.

Quad – A diplomatic partnership comprising Australia, India, Japan and the United States.

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

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