

Annual report 2023-24

The Productivity Commission acknowledges the Traditional Owners of Country throughout Australia and their continuing connection to land, waters and community. We pay our respects to their Cultures, Country and Elders past and present.

The Productivity Commission

The Productivity Commission (the PC) is the Australian Government's independent research and advisory body on a range of economic, social and environmental issues affecting the welfare of Australians. Its role, expressed most simply, is to help governments make better policies, in the long-term interest of the Australian community.

The PC's independence is underpinned by an Act of Parliament. Its processes and outputs are open to public scrutiny and are driven by concern for the wellbeing of the community as a whole.

Further information can be obtained from the PC's website (www.pc.gov.au).

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17 September 2024

The Hon Dr Jim Chalmers MP
Treasurer
Parliament House
CANBERRA ACT 2600

Dear Treasurer

I am pleased to present to you the Productivity Commission's Annual Report for 2023-24.

The report has been prepared in accordance with section 10 of the *Productivity Commission Act 1998*. It has also been prepared in accordance with all obligations of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), including section 46, which requires that you present the report in Parliament.

The report contains the Productivity Commission's (PC) annual performance statement and annual financial statements for the period 2023-24 as required by sections 39(1)(b) and 43(4) of the PGPA Act.

In accordance with the subsection 17AG(2)(b) of the Public Governance, Performance and Accountability Rule 2014 and the Commonwealth Fraud Control Framework 2017, I hereby certify that I am satisfied that the PC has:

- prepared fraud risk assessments and fraud control plans
- in place appropriate fraud prevention, detection, investigation, reporting mechanisms that meet the specific needs of the PC
- taken all reasonable measures to appropriately deal with fraud relating to the PC.

Yours sincerely,

A handwritten signature in black ink that reads "Danielle Wood".

Danielle Wood
Chair

Foreword

It is my pleasure to present the Productivity Commission's 2023-24 Annual Report. The Productivity Commission (the PC) provides independent, evidence-based advice to the Australian Government on the major economic, social and environmental issues facing our nation.

In 2023-24, the PC completed six government-commissioned projects examining philanthropy; the Future Drought Fund; the implementation of the Murray–Darling Basin Plan; progress against the National Water Initiative; early childhood education and care; and progress towards the National Agreement on Closing the Gap.

The draft report of the PC's inquiry into early childhood education and care (ECEC) was among the most widely read of our publications in 2023-24. We expect that this work will help governments shape their reform priorities for the early childhood sector in the near- and long-term. Our first three-yearly review of progress towards the National Agreement on Closing the Gap also had a significant impact. Following the release of the final report, the Joint Council on Closing the Gap announced that the federal and state and territory governments had accepted the four headline recommendations and agreed to 15 out of the 16 recommended actions.

We also released a number of PC-initiated research projects in 2023-24. These covered a broad range of topics including healthcare productivity, inequality, industry levies and economic opportunities from artificial intelligence.

Under the PC's regular program of reporting, we released the annual Trade and Assistance Review, quarterly productivity bulletins, the Closing the Gap Annual Data Compilation Review and updates to the Report on Government Services and Closing the Gap Performance Reporting Dashboard.

We continue to improve our approach to engaging with Aboriginal and Torres Strait Islander people. Extensive face-to-face engagement took place as part of the PC's review of the National Agreement on Closing the Gap. We approached this engagement with a focus on demonstrating reciprocity and two-way exchange. This engagement approach was also adopted across a range of other PC inquiries, studies and research in 2023-24.

This is my first annual report as Chair of the Productivity Commission. I am already very proud of the work that the PC has done in my time here. I look forward to continuing to lead the PC as we provide research and advice that helps governments make informed policy decisions that benefit all Australians.

Danielle Wood
Chair

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Commissioners



Danielle Wood
Chair



Alex Robson
Deputy Chair



Selwyn Button
Commissioner



Julie Abramson
Commissioner



Catherine de Fontenay
Commissioner



Lisa Gropp
Commissioner



Joanne Chong
Commissioner



Steven King
Commissioner



Natalie Siegel-Brown
Commissioner



Martin Stokie
Commissioner



Alison Roberts
Commissioner



Barry Sterland PSM
Commissioner

About the PC

The PC's role

The Productivity Commission (the PC) is the Australian Government's independent research and advisory body on a range of economic, social and environmental issues affecting the welfare of Australians. Its remit covers all sectors of the economy, with a view to better informing policy making to raise national productivity and living standards.

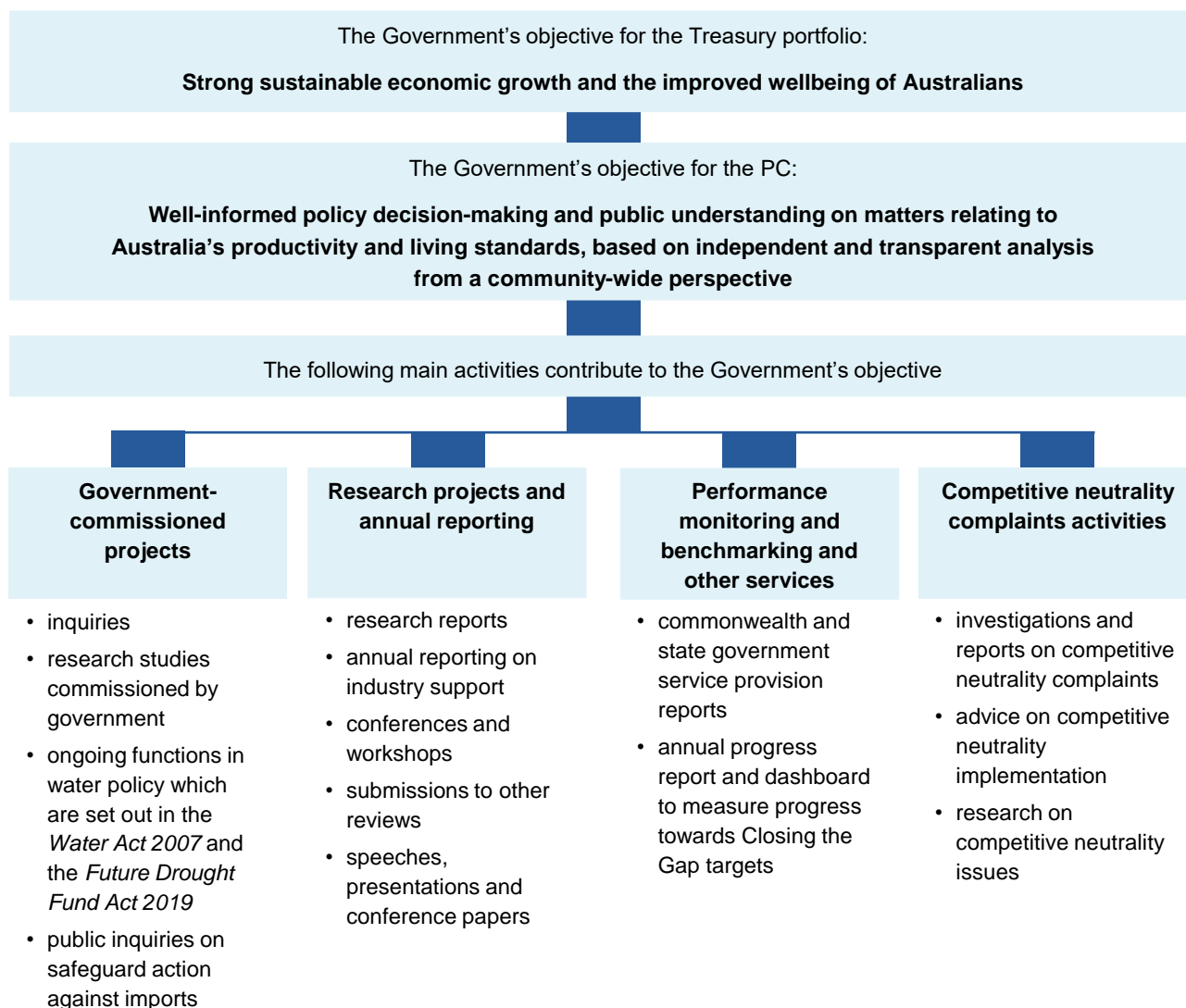
The PC's outcome objective is:

Well-informed policy decision-making and public understanding on matters relating to Australia's productivity and living standards, based on independent and transparent analysis from a community-wide perspective.

This objective is pursued in four broad work streams (outlined in figure 1):

- government-commissioned inquiries and studies
- research projects and annual reporting on industry support
- performance reporting and related analysis of Commonwealth and State service provision
- competitive neutrality complaints.

Figure 1 – Main activities of the PC



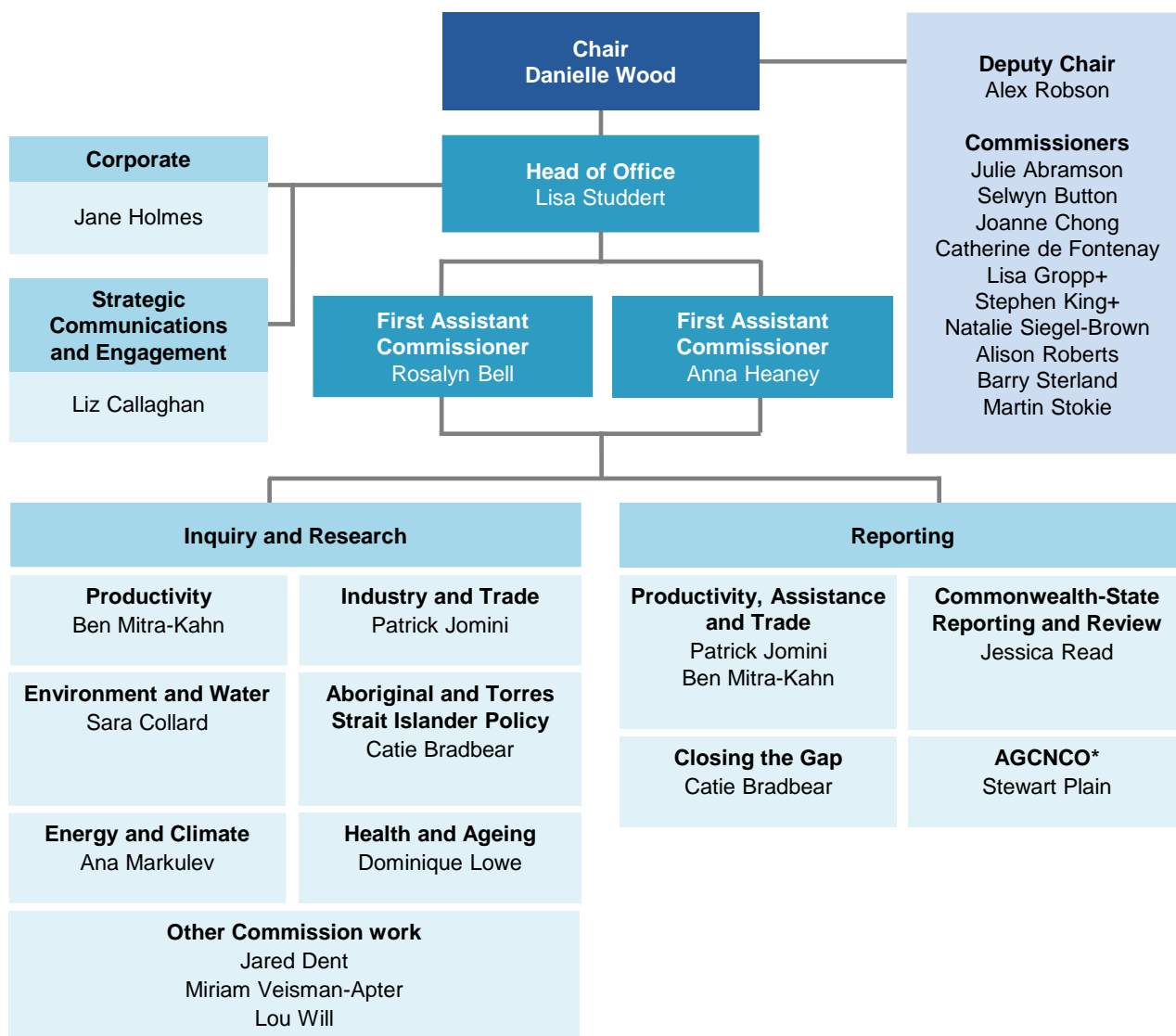
Commissioners and staff

The PC comprises its Chair and between four and twelve other Commissioners, appointed by the Governor General for periods of up to five years. Associate Commissioners can be appointed by the Treasurer for terms of up to five years or for the duration of specific inquiries. As at 30 June 2024, there were eleven Commissioners, in addition to the Chair.

The Remuneration Tribunal is responsible for determining remuneration and allowances for the Commissioners under the Remuneration Tribunal (Remuneration and Allowances for Holders of Full-time Public Office Determination (No. 1) 2023), (Remuneration and Allowances for Holders of Part-time Public Office Determination (No. 1) 2023), and the Remuneration Tribunal (Official Travel) Determination 2023.

In 2023-24, the average staffing level was 182 (excluding Commissioners).

Figure 2 – PC structure and senior staff^a



+ part time appointment

* Australian Government Competitive Neutrality Complaints Office

a. As at 30 June 2024 based on term of appointment.

Annual performance statement

Introductory statement

This annual performance statement meets the Productivity Commission's requirements under s. 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013 (Cth)* (PGPA Act) for the 2023-24 financial year, and accurately reflects the entity's performance in accordance with s. 39(2) of the PGPA Act.

Entity purpose

The PC's purpose, as embodied in the *Productivity Commission Act 1998 (Cth)* (PC Act), is to provide governments and the Australian community with information and advice that better informs policy decisions to improve Australians' wellbeing. The PC applies robust, transparent analysis, and adopts a community-wide perspective.

Results

The PC has assessed its performance against six criteria associated with its impact and delivery. In 2023-24, the PC performed consistently with these criteria. The criteria, as set out in the *Corporate Plan 2022-23* (p. 8) and *Portfolio Budget Statement 2022-23* (p. 379), are:

- providing a valuable source of robust evidence-based analysis
- generating effective public debate
- being recognised as valuable by other governments
- engaging effectively with the community
- having open and transparent processes
- delivering timely reports.

Performance against each of the PC's impact and delivery criteria is detailed below.

A number of factors impact the assessment of the PC's performance. The PC is only one contributor among many to the Australian policy debate and policy decision making and the nature, scope and timing of projects commissioned by the Australian Government varies from one year to the next. Further, the PC's inquiry and research outputs contribute to the public debate and policy development on a range of complex and often contentious issues over a period of years. This means that the PC's contribution is best considered over the medium term.

Given the nature of its work, the PC relies mainly on qualitative indicators of its performance, with quantitative indicators helping to inform the assessment in some areas.

In November 2023, the Australian Government delivered its first Statement of Expectations to the PC, which detailed a range of reform directions it expects the PC to consider in the course of its work. These directions build on and complement what is stated in the PC Act.

The PC outlined how it will deliver on these expectations in a Statement of Intent published in February 2024. The PC's *Corporate Plan 2024-28* will further detail the PC's response to the Statement of Expectations and how the PC will deliver on and evaluate its performance against it.

Impact criteria

The Productivity Commission is a valuable source of evidence-based analysis to inform public policy in Australia

The PC undertakes work on a broad range of complex policy issues.

In 2023-24, the PC completed six government-commissioned projects examining philanthropy; the Future Drought Fund; the implementation of the Murray–Darling Basin Plan; progress against the National Water Initiative; early childhood education and care; and progress towards the National Agreement on Closing the Gap.

The PC's work has been used extensively in government policy deliberations. The PC's review of progress towards the National Agreement on Closing the Gap was well-received by government and the Coalition of Aboriginal and Torres Strait Islander Peak Organisations and received significant engagement and support from Aboriginal and Torres Strait Islander community groups.

The Commissioners made a number of public addresses on the findings of the report, including an address given by Commissioner Natalie Siegel-Brown at the 2023 Garma Festival. Following the release of the final report, the Joint Council on Closing the Gap announced the federal, state and territory governments accepted the four headline recommendations and agreed to 15 out of the 16 recommended actions.

The review of the Future Drought Fund Act has helped to inform the future direction of Future Drought Fund investments and activities. On 7 May 2024, the Government announced that they would make a further investment into the fund alongside a number of changes and refinements, partly in response to the findings of the PC's review.

The PC's inquiry into early childhood education and care was completed in 2023-24, with a draft report released in November 2023 and the final report submitted to the Government on 28 June 2024. The draft report was well-received by the Government and much of the early childhood education and care sector. The Government has indicated that they expect the final report will help inform the next steps they take towards their stated intention to develop a universal early childhood and care system.

The PC also undertook an extensive program of self-initiated research in 2023-24. This covered a broad range of topics including healthcare productivity, inequality, industry levies and economic opportunities from artificial intelligence.

Under the PC's regular program of reporting, we released the annual Trade and Assistance Review, quarterly productivity bulletins, the Closing the Gap Annual Data Compilation Review and updates to the Report on Government Services and Closing the Gap Performance Reporting Dashboard.

The PC undertook its legislated role to investigate competitive neutrality complaints, with an ongoing investigation of a complaint against Australia Post. The PC also made a number of submissions to inquiries and committees throughout 2023-24.

The Productivity Commission generates effective public debate

Contributions to parliamentary debate and the extent of media coverage indicate a high level of public interest in the PC's work.

The draft report of the PC's inquiry into early childhood education and care was downloaded over 6,000 times through the year. The key recommendations have been discussed widely in the media and have been the subject of extensive commentary from government and stakeholders and advocates across the sector.

The draft report of the review of the National Agreement on Closing the Gap was downloaded over 10,000 times. The recommendations were endorsed by several Aboriginal and Torres Strait Islander organisations and discussed widely across government and the media.

Productivity Commission inquiry and research reports were frequently cited by parliamentarians in debates and questions during 2023-24. In the Federal Parliament, 52 members and senators referred to at least 14 different PC reports or inquiries, or to the PC's role in policy processes. At the state and territory level, 89 members of state and territory parliaments referred to 29 different PC projects or to the PC's role during the 2023-24 sittings. In addition, there were at least 50 mentions of 15 different PC inquiries and its works in the Hansard proceedings of Federal Parliamentary Committees. The most frequently mentioned projects were the early childhood education and care inquiry, the five-yearly productivity inquiry and the Closing the Gap information repository.

The PC rated, on average, 514 unique media mentions a month in connection with the reports completed during 2023-24. The *Review of the National Agreement on Closing the Gap* was the most frequently mentioned PC publication, with an average of more than 188 media mentions each month. The Closing the Gap information repository, the Report on Government Services and the early childhood education and care inquiry also generated a substantial amount of public interest during the year, reflected in media articles, webpage views and report downloads.

In 2023-24, the Commission's website received a high level of traffic from external users. The publications of most interest were Review of the National Agreement on Closing the Gap study report (around 10,000 downloads), The early childhood education and care inquiry draft report (around 6,000 downloads) and the overview of the philanthropy inquiry draft report (around 4,200 downloads). The 2024 Report on Government Services was also highly sought after by website users – as in previous years – with a large number of report downloads.

In 2023-24, the Closing the Gap information repository website received 405,984 page visits of which 307,636 page visits were to the dashboard. The annual data compilation report released in July 2023, was downloaded 3,717 times and the report was viewed online 27,068 times.

Productivity Commission reports from previous years also appeared in media reporting and were cited in academic literature, including *The nuisance cost of tariffs* (2022), *National School Reform Agreement* (2022), *Economic regulation of airports* (2019), and *Advancing prosperity – 5-year productivity inquiry report* (2023). This demonstrates that the PC's role as a source of evidence-based policy advice can continue long after the release of a report.

In 2023-24, Commissioners made more than 103 speeches and presentations, and participated as panellists at a range of events. The topics for engagements included Australia's productivity challenges, Closing the Gap, Australia's AI opportunity and the future of healthcare productivity. Commissioners also published a number of opinion articles in major media outlets on the findings of our research.

The Productivity Commission is recognised as a model for evidence-based policy analysis worthy of consideration by other governments.

Nearly all the PC's reports involve engagement and discussions with officials from Australia's state and territory governments. Reports that included recommendations directly relevant to these governments include the Review of the National Agreement on Closing the Gap, the National Water Reform inquiry, and the draft report of the early childhood education and care inquiry.

The PC is internationally recognised for its evidence-based approach to public policy analysis. The PC held meetings with a range of international officials and institutions over 2023-24. These included meetings with international organisations like the International Monetary Fund (IMF) and the Organisation for Economic

Cooperation and Development (OECD), government officials from Botswana, Cambodia, Canada, China, Fiji, Indonesia, Japan, Kenya, Malaysia, New Zealand, Papua New Guinea, Philippines, Singapore, South Korea, Sri Lanka, Taiwan, and the United Kingdom. The PC also had ongoing engagement with the Asian Bureau of Economic Research – a research program based at the Australian National University which contributes to policy thinking and decision making across the Asian region.

The PC's institutional arrangements were of continuing interest to overseas organisations, as was the annual Report on Government Services, the review of the National Agreement on Closing the Gap, and the Trade and Assistance Review. International delegations were also interested in the PC's thoughts on competition policy, international trade policy settings, digital transformation, and the recommendations of the PC's five-yearly productivity inquiry report.

Delivery criteria

The Productivity Commission engages effectively with the community

The PC's processes involve extensive public input and feedback.

In 2023-24, the PC published issues papers or call for submission papers – outlining relevant issues and inviting public submissions – for all Commissioned-research projects. Interested parties had a second opportunity to make submissions following the release of draft or interim reports.

In total, the PC received 963 submissions to government-commissioned projects during 2023-24. The PC also received over 1,650 'brief comments' providing more informal input and feedback. The inquiry into philanthropy in Australia received the highest volume of submissions.

For most inquiries and studies, there was an opportunity for participants to appear at public hearings, roundtable discussions, workshops, and/or other forums. The PC met more than 716 times with external stakeholders in the course of conducting research, inquiries and studies during 2023-24. The PC also held 18 days of public hearings.

For some projects, much of our engagement was through online forums, increasing the range of views and geographic spread of people with whom we have been able to engage.

The PC has continued to improve its engagement with Aboriginal and Torres Strait Islander people and organisations. To undertake the review of progress towards the National Agreement on Closing the Gap, the PC adopted an engagement approach that supported shared decision-making, including supporting self-determination through engagement. Consistent with the National Agreement on Closing the Gap, the PC's approach to engagement with Aboriginal and Torres Strait Islander people is:

- fair and inclusive – a diversity of perspectives is supported and enabled
- transparent and open – information is provided and decisions are made in a transparent and open manner, and it is possible to assess this has occurred
- ongoing – occurring throughout the course of a project
- reciprocal – at a minimum, Aboriginal and Torres Strait Islander people and their representatives are provided feedback on how their input has been understood and informed decisions.

Extensive face-to-face engagement has taken place as part of the PC's review of the National Agreement, with a deliberate focus on demonstrating reciprocity and two-way exchange with Aboriginal and Torres Strait Islander people. The engagement approach established as part of the review was extended and applied across a range of other PC inquiries, studies and research including:

- the inquiry into early childhood education and care
- the inquiry into philanthropy

- the third triennial inquiry assessing the progress of all Australian governments towards the National Water Initiative (NWI)
- research into inequality
- research into leveraging digital technology in healthcare.

The PC has remained committed to facilitating shared decision-making in developing the Closing the Gap Information Repository (dashboard and Annual Data Compilation Report), by working in partnership with representatives of Aboriginal and Torres Strait Islander people and governments. It has worked closely with the Partnership Working Group and the Joint Council and has directly engaged with Aboriginal and Torres Strait Islander organisations that develop policy or provide services across the socio-economic outcome areas in the National Agreement.

The Productivity Commission's processes are open and transparent

The PC operates under the powers, protection and guidance of its own legislation. Its independence is formally exercised under the PC Act through the Chair and Commissioners, who are appointed by the Governor General for fixed periods.

The PC has its own budgetary allocation and a permanent staff appointed under the *Public Service Act 1999*, operating at arm's length from other government agencies. While the Government initiates the PC's inquiries and studies, the PC's findings and recommendations are based on its own analysis and judgment.

The PC's objectivity and independence are key strengths of its work. The PC's advice to the Government, and the information and analysis on which it is based, continued to be open to public scrutiny in 2023-24. As noted above, the PC's processes provided for public input and feedback through hearings, workshops and other consultative forums, and through the release of draft or interim reports. Reports for government-commissioned work are published on the PC's website. Where substantial quantitative work is undertaken, the PC engages with relevant government departments or academics to enable the peer review of its work. The results of underlying models and data used are typically published on the PC's website.

The Productivity Commission delivers reports within agreed timeframes

All of the major projects that were completed in 2023-24 were finished within the timeframes set by the Government, or as subsequently varied. The timing of tabling of commissioned inquiry reports, following completion of a project, is a matter for the Government. For other work, including commissioned studies, the PC releases its reports as soon as practical after completion of the project.

The year in review: PC activities

Public inquiries and commissioned studies

The PC commenced two new projects at the request of the Australian Government in 2023-24, compared to four projects commenced in 2022-23.

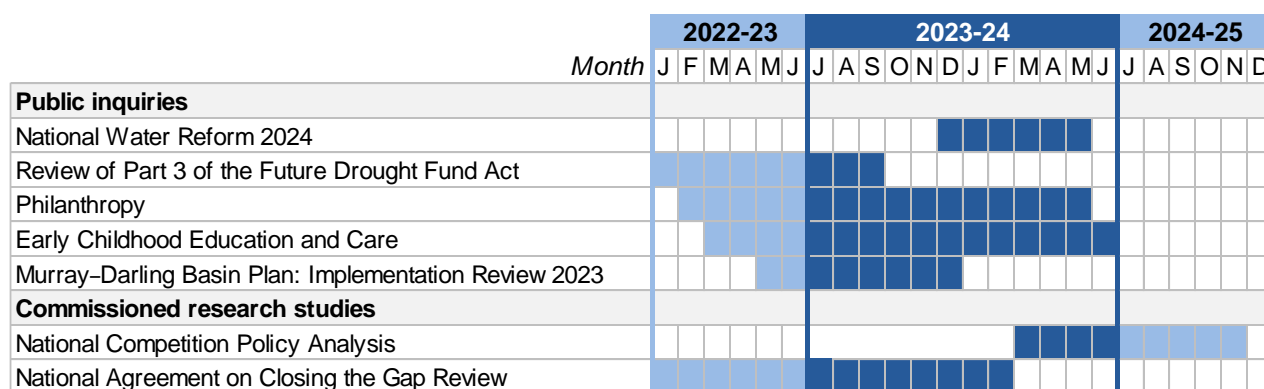
- A study that supports the current National Competition Policy review process by analysing the economic and fiscal effects of a range of competition policy reforms.
- The third triennial assessment of the progress of all Australian governments towards the outcomes of the National Water Initiative (NWI).

The PC completed six inquiries or studies in 2023-24 compared with seven inquiries or studies completed in 2022-23.

- An inquiry into the early childhood education and care (ECEC) sector.
- An inquiry to analyse motivations for philanthropic giving in Australia and identify opportunities to grow it further.
- An inquiry into the effectiveness of Part 3 of the *Future Drought Fund Act 2019*.
- The second five-yearly review into the effectiveness of the implementation of the Murray–Darling Basin Plan and its water resource plans.
- The third triennial assessment of the progress of all Australian governments towards the outcomes of the National Water Initiative (NWI).
- The first three-yearly review of progress under the National Agreement on Closing the Gap.

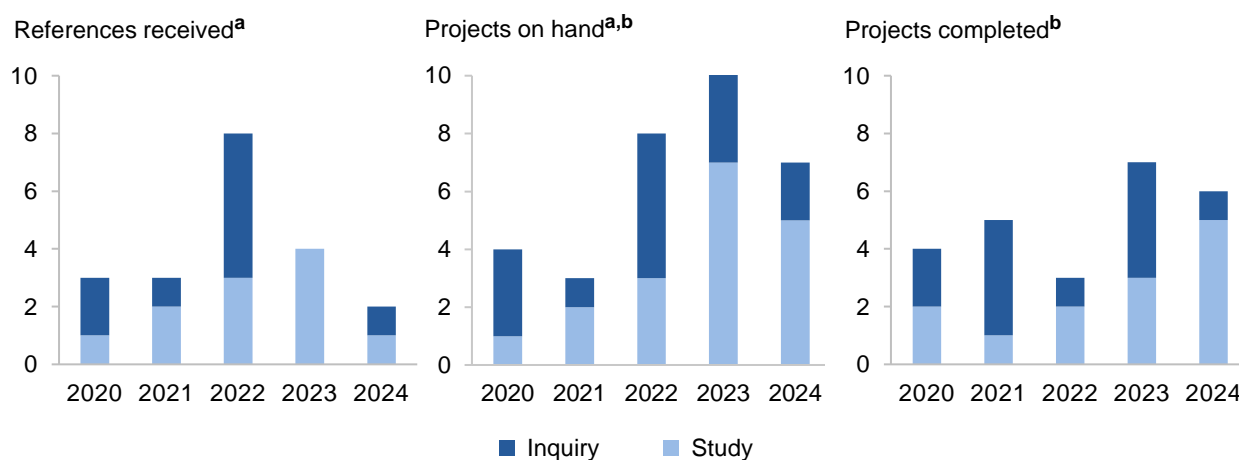
This meant there were five inquiries and two studies underway at some point during 2023-24 (figure 3).

Figure 3 – Program of public inquiries and other government-commissioned projects^a



a. Shaded areas indicates the approximate duration of the project in the period covered by the figure, as at 30 June 2024.

Trends in public inquiry activity and participation over the past five years are shown in figure 4. Further information on public inquiries and commissioned studies undertaken during 2023-24 is available on the PC’s website.

Figure 4 – Projects commenced, on hand and completed^{a,b}

a. Figures are for financial years. **b.** As at 30 June 2024.

PC-initiated research

The PC undertakes self-initiated research to help inform policy discussions.

The PC's research program is guided by government statements on policy priorities; parliamentary debate and committee work; and consultations with Australian Government departments, business, community and environmental groups, union bodies and academics. Our aim is to provide useful context and information to help inform current and future policy formation.

The PC conducted ten self-initiated research projects in 2023-24 on the following topics:

- Productivity growth and wages
- An iterative method for solving CGE models
- Aviation modelling
- Industry levies in Australia
- The economic opportunities presented by AI
- Measuring healthcare productivity
- Modelling Asian trade integration
- Leveraging digital technology in healthcare
- Inequality in Australia
- Investment hurdle rates.

Performance reporting and other services

The PC undertakes a range of regular reporting activities.

The PC provides secretariat services to the Steering Committee for the Review of Government Service Provision and has done so since the review commenced in 1993. The steering committee's major outputs are a collaborative effort, with more than 80 Commonwealth, state and territory government agencies contributing to the Report on Government Services and the Closing the Gap Information Repository.

Report on Government Services

The PC provides secretariat services to the steering committee for the Review of Government Service Provision. The steering committee's major outputs are a collaborative effort, with more than 80 Commonwealth, state and territory government agencies contributing to the Report on Government Services.

The *Report on Government Services 2024* was the twenty-ninth in this series. The report provides comparative performance information on 17 government service delivery areas that contribute to the wellbeing of Australians – spanning childcare, education and training; health; justice; community services; emergency management; and housing and homelessness. The services covered in the 2024 Report collectively accounted for approximately \$348 billion or 70% of recurrent state and territory government expenditure in 2021-22 – equivalent to about 15% of GDP.

The National Agreement on Closing the Gap reporting

The National Agreement on Closing the Gap is an agreement between the Coalition of Aboriginal and Torres Strait Islander Peak Organisations and all Australian governments. The objective of the Agreement is 'to overcome the entrenched inequality face by too many Aboriginal and Torres Strait Islander people so that their life outcomes are equal to all Australians'.

Under the Agreement, the PC is responsible for maintaining an information repository to inform reporting on progress. As part of this role, it publishes:

- a 'dashboard' that provides the most up-to-date information available on the targets and indicators in the Agreement
- an Annual Data Compilation Report that provides a point-in-time snapshot of the Dashboard material. The third Annual Data Compilation Report was published in July 2023.

Performance reporting dashboard

The PC maintains the Performance Reporting Dashboard, which provides a single, streamlined source of information on progress towards key commitments agreed by Australian governments. In 2023, the National Cabinet tasked the Council on Federal Financial Relations (CFFR) to review the Report on Government Services (RoGS) and the Performance Reporting Dashboard (the Dashboard) produced by the PC. Updates to this Performance Reporting Dashboard have been paused while the review is underway.

Trade and Assistance Review

During 2023-24, the PC released the *Trade and Assistance Review 2021-22* and initiated work on the *Trade and Assistance Review 2022-23*. The review included the latest estimates of Australian Government assistance to industry, and provided a summary of developments in industry assistance, trade policy and foreign investment.

Competitive neutrality activities

Competitive neutrality policy seeks to ensure that government businesses do not have any net competitive advantages (or disadvantages) relative to their competitors, simply by virtue of their public ownership.

The Australian Government Competitive Neutrality Complaints Office (AGCNCO) operates as a separate unit within the PC. Its function is to receive and investigate complaints and provide advice to the Treasurer on the application of competitive neutrality arrangements.

During 2023-24, the AGCNCO progressed its investigation of a complaint against Australia Post. Two formal complaints were lodged against Australian Government activities, but preliminary investigations determined they were not activities subject to competitive neutrality policy and no further action was warranted.

During 2023-24, the AGCNCO received 32 queries about competitive neutrality matters from various parties including Australian government and state government officials.

Management and accountability

Commissioners and staff

The PC operates under the powers, protection and guidance of its own legislation. Its independence is formally exercised under the PC Act through the Chair and Commissioners.

Commissioners

At 30 June 2024, there were twelve members of the PC, including the Chair.

Malcom Roberts, who commenced as a Commissioner in 2019, left the PC in November 2023. Romlie Mokak and Michael Brennan concluded their five-year terms with the PC in 2023-24.

Biographical information on all Commissioners is available on the PC's website and their terms of appointment are listed in table 1.

Table 1 – Chair and Commissioners, 30 June 2024

| | Location | Period of appointment | |
|------------------------------|-----------|-----------------------|-------------|
| | | From | To |
| Ms D Wood (Chair) | Melbourne | 13 Nov 2023 | 12 Nov 2028 |
| Prof A Robson (Deputy Chair) | Brisbane | 28 Mar 2022 | 27 Mar 2027 |
| Ms J Abramson (p/t) | Melbourne | 10 Dec 2015 | 9 Dec 2025 |
| Dr S King (p/t) | Melbourne | 1 July 2016 | 31 Dec 2026 |
| Ms L Gropp (p/t) | Melbourne | 1 May 2019 | 31 Jul 2024 |
| Dr C de Fontenay | Melbourne | 1 Jul 2019 | 30 Jun 2029 |
| Ms J Chong | Adelaide | 1 April 2022 | 31 Mar 2027 |
| Mr M Stokie | Melbourne | 1 Apr 2022 | 31 Mar 2027 |
| Ms N Siegel-Brown | Brisbane | 18 Apr 2022 | 17 Apr 2027 |
| Mr S Button | Brisbane | 25 Jun 2024 | 24 Jun 2029 |
| Mr B Sterland | Melbourne | 25 Jun 2024 | 24 Jun 2029 |
| Dr A Roberts | Melbourne | 25 Jun 2024 | 24 Jun 2029 |

(p/t) denotes part time.

Associate Commissioners

The PC had four Associate Commissioners at some point during 2023-24, all of whom had concluded their periods of appointment by 30 June 2024 (table 2).

Mr Krystian Seibert was appointed on 15 February 2023 to assist with the PC's inquiry into philanthropic giving in Australia.

Prof Deborah Brennan was appointed on 1 March 2023 to assist with the inquiry into the Early Childhood Education and Care system.

Dr Chris Guest was appointed on 27 May 2023 to assist with the second five-yearly Murray–Darling Basin Plan: Implementation Review.

Prof Anne Poelina was appointed on 4 January 2024 to assist with the National Water Reform 2024 inquiry.

Table 2 – Associate Commissioners, 30 June 2024

| | Location | Period of appointment | |
|-------------------|-----------|-----------------------|-------------|
| | | From | To |
| Prof D Brennan AM | Sydney | 1 Mar 2023 | 30 Jun 2024 |
| Dr C Guest | Melbourne | 27 May 2023 | 19 Dec 2023 |
| Mr K Seibert | Melbourne | 15 Feb 2023 | 14 May 2024 |
| Prof A Poelina | Broome | 4 Jan 2024 | 28 May 2024 |

Staff

The average staffing level during 2023-24 was 182, compared with 164 in 2022-23. The PC recruited 46 staff during the year, including 14 graduates – 12 through its graduate economist recruitment program, one through the Australian Government human resources stream, and one through the data stream. Ongoing staff turnover was approximately 13.4%.

Statistical information on staffing is provided in the appendix.

Outcome, objective and resources

The financial and staffing resources devoted to achieving the Government's outcome objective for the PC are summarised in table 3. An agency resource statement for 2023-24 is included in the appendix.

Table 3 – Financial and staffing resources summary^{a,b}

| | Budget ^a 2023-24 | Actual 2023-24 | Variation |
|---|-----------------------------|----------------|------------------|
| | \$'000 | \$'000 | \$'000 |
| Outcome 1: Well-informed policy decision-making and public understanding on matters relating to Australia's productivity and living standards, based on independent and transparent analysis from a community-wide perspective | | | |
| Program 1.1 Productivity Commission | | | |
| Departmental expenses | | | |
| Ordinary annual services (Appropriation Bill No. 1) | 37,151 | 39,020 | (1,869) |
| Revenues from independent sources (Section 74) | 10 | 151 | (141) |
| Expenses not requiring appropriation in the Budget year | 1,100 | 3,061 | (1,961) |
| Total for Outcome 1 | 38,261 | 42,232 | (3,971) |
| | 2022-23 | 2023-24 | Variation |
| Average staffing level (number) | 176 | 182 | 6 |

a. Full year budget, including any subsequent adjustment made to the 2023-24 Budget. b. Expense not requiring appropriation are made up of depreciation expenses, amortisation and audit fees.

Governance

The PC's governance arrangements are designed to achieve efficient, effective and ethical use of resources in delivering the PC's mandated outcome objective. The arrangements are also designed to ensure compliance with legislative and other external requirements in regard to administrative and financial management practices.

In keeping with good governance principles, the PC's governance arrangements:

- establish clear responsibilities for decision making and the undertaking of mandated activities
- ensure accountability through the monitoring of progress, and compliance with legislative and other requirements, of mandated activities
- underpin these arrangements through the promotion of a risk management and ethical behaviour culture.

Key responsibilities

The PC's Chair is responsible for the overall management and governance of the PC, its reputation and public handling of issues, and the quality of its output. The Chair is the 'Accountable Authority' under the PGPA Act.

The Chair is assisted in these tasks by the Head of Office and a Management Committee that addresses matters of strategic direction, organisational development, policies and practices, monitoring of performance and resource allocation.

Management Committee comprises the Chair (as chair), the Deputy Chair, the Head of Office, the First Assistant Commissioners of the Melbourne and Canberra offices, the Assistant Commissioner responsible for Corporate Group, and the Assistant Commissioner responsible for the Strategic Communications and Engagement Group. It meets monthly, or more frequently as needed.

The Research Committee oversaw the PC-initiated research program to ensure delivery of high quality, policy relevant research in a timely way during its period of operation. It also oversaw data analysis, and modelling capability and development to promote fit-for-purpose model use that is quality assured. It met monthly and comprises the Chair (as chair), two Commissioners, the Head of Office, the First Assistant Commissioners, the Assistant Commissioner for Research and Modelling, Media and Publications staff, and a liaison officer. In May 2024, the Commission Meeting agreed to re-acquire the decision-making responsibilities of the Research Committee, with some administrative functions to be undertaken by line areas.

Commissioners are responsible for the conduct and quality of the individual inquiries, studies or other activities to which they are assigned by the Chair, and the overall quality of PC work via their contributions to monthly Commission meetings.

Accountability

Management Committee's monitoring of the PC is aided through the provision of regular reports covering staffing, expenditure, staff development and other operational matters.

Monthly Commission meetings are used to discuss and monitor progress across the PC's four mandated outputs. A Commission meeting is a meeting of the PC's Commissioners. Others may attend the meetings regularly or in specific circumstances at the request of the Chair. Commission meetings are generally used for substantive discussion about PC inquiry, research, review and reporting work. Consistent with the Act, significant decisions about research, inquiry, review or reporting work at the PC must be considered at Commission meetings. At these meetings:

- Project Commissioners bring papers to Commission meeting on their projects. They must ensure their Commission meeting papers clearly identify and present the rationale for:
 - key changes since the last update to Commission meeting
 - key issues for the PC to consider
 - findings and/or recommendations arising from the analysis.
- The PC discusses items brought forward to the meeting and the Chair summarises Commission feedback into key takeaways for the project team. Commissioners may also provide written comments to project teams prior to a Commission meeting.
- The Head of Office provides updates on key management issues.
- On a quarterly basis, the activities of the Steering Committee for the Review of Government Service Provision, chaired by the Chair of the PC, are reported.
- On an annual basis, the Commissioner designated with responsibility for competitive neutrality issues provides a report.

The Audit and Risk Committee is a further source of accountability through its periodic review of particular aspects of the PC's operations. Its membership comprises a chairperson and two members. Two of the three members are independent and external to the Australian Public Service (table 4). The PC's contracted internal auditors generally attend meetings, as does a representative of the Australian National Audit Office (ANAO) on an 'as required' basis. The Audit and Risk Committee meets at least four times a year. The charter determining the functions of the Audit and Risk Committee can be found at www.pc.gov.au/about/governance/audit-committee.

Table 4 – Audit and Risk Committee membership 2023-24

| Member name | Qualifications, knowledge, skills or experience | Number of meetings attended | Total annual remuneration | Additional information |
|--------------|--|-----------------------------|---------------------------|------------------------------|
| Neil Byron | Neil has extensive experience in the Australian Public Service as an economist including 12 years as a Commissioner at the Productivity Commission. He was also the NSW Natural Resources Commissioner. As well as chairing the Productivity Commission's Audit and Risk Committee, Neil is a Non-executive Director of Alluvium Holdings Pty Ltd, and its subsidiary, Natural Capital Economics Pty Ltd; Member of the MDBA's Advisory Committee on Social, Economic and Environmental Sciences; and Chair of NSW Farm Forestry Expert Panel (Local Land Services). Neil has an honours degree in Forest Science from the ANU and a masters and doctorate in resource and environmental economics from University of British Columbia. | 1/1 | \$3,000 | Chair retired 30 August 2023 |
| Jenny Zahara | Jenny has 15 years experience in finance, governance and corporate services in the Victoria Public Service where she provided advice and support to Ministers, the Secretary and Executive Board. Jenny was the Chief Financial Officer at Department of Health. She holds a Bachelor of Commerce, Accounting and Finance and Bachelor of Science from the University of Melbourne and is a Fellow CPA and a graduate member of the Australian Institute of Company Directors (GAICD). | 4/4 | \$10,800 | N/A |

| Member name | Qualifications, knowledge, skills or experience | Number of meetings attended | Total annual remuneration | Additional information |
|--------------|--|-----------------------------|---------------------------|---------------------------------------|
| Fran Raymond | Fran has extensive financial experience, with over 20 years in senior CFO or COO roles within the Commonwealth Government, including the Department of Defence, Prime Minister and Cabinet and Australian Reinsurance Pool Corporation (ARPC). Fran holds a Bachelor of Commerce in Accountancy and Systems from UNSW and a Master of Business Administration from Charles Sturt University. She is a fellow of the Australian Institute of Company Directors (FAICD) and an FCA member. | 4/4 | \$11,500 | Appointed as Chair 8 November 2023 |
| Peter Dunlop | Peter is the Chief Financial Officer at the Australian Securities and Investments Commission (ASIC) and has been in the role since December 2021. Prior to this he was the CFO and A/g Chief Operating Officer at the Australian Sports Commission. Peter is able to consider opportunities and anticipate and engage with risk, has high levels of integrity and a strong understanding of both performance and financial reporting frameworks. Peter achieved his Master of Professional Accounting in 2006 and became a Certified Practising Accountant (CPA) in 2009. He has close to 20 years Commonwealth Government experience. | 2/2 | \$0 | Appointed as a member 15 January 2024 |

Risk management and fraud control

Risk assessments are undertaken within a formal risk management model specified in the PC's enterprise risk management framework and plan. Senior management and the Audit and Risk Committee review the plan regularly.

The PC has prepared a fraud risk assessment and fraud control plan and has in place appropriate fraud prevention, detection, investigation reporting and data collection procedures and processes that meet the specific needs of the PC and comply with the Commonwealth Fraud Control Framework. No instances of fraud were reported during 2023-24.

Information about the PC's risk management procedures is available to all employees. It is brought to the attention of new employees on commencement, and awareness raising for existing employees is periodically undertaken. From 2023-24, all PC staff have been required to complete risk management training on an annual basis, which teaches staff at all levels on how to effectively apply good risk management to everyday work. In addition, new employees to the PC are required to undertake training on risk management in the Commonwealth. Over 63% of new starters completed the online APS module on 'Introduction to Risk in the Commonwealth'. Over 33% of PC staff completed the annual refresher online APS module on 'Practical Risk Management'.

Ethical standards

The PC is committed to fostering a culture of professionalism and the highest ethical standards to meet APS-wide requirements and community expectations. In 2023-24, work has continued to foster and maintain our positive and respectful workplace culture, with a focus on integrity, performance, and behaviours, to support the broader APS reform agenda.

Our pro-integrity culture promotes integrity, openness and accountability, and is underpinned by a strong commitment from all Commissioners and staff to promote and uphold the APS Values. The PC has a range of corporate policies and procedures related to integrity, which are regularly reviewed and updated. These include HR, Finance and Digital Technology (DT) policies.

Aligned with the integrity focus across the APS, work continued to define and implement a range of new obligations and responsibilities to support integrity. In 2023-24, the PC:

- Reviewed and reissued several integrity-based policies, including:
 - HR policies related to managing public interest disclosures, the APS Code of Conduct, review of actions, conflicts of interest, and gifts and benefits
 - finance policies, such as those related to procurement (pending approval at 30 June 2024), corporate credit cards, fraud control, and risk management
 - DT policies related to acceptable use of DT resources, and use of generative AI.
- Provided regular updates and communication with staff on integrity-related matters and maintained an up-to-date Integrity Hub.
- Promoted mandatory compliance and integrity training to all staff, including by:
 - making new starters aware of the requirement to complete integrity training, as required by section 19 of the *Australian Public Service Commissioner's Directions 2022* – as at 30 June 2024, 86% of new staff had completed the online module 'APS Foundations: Integrity in the APS' within six months of commencement
 - having all staff complete the Introduction to the NACC online module. Completion rate for this module was 96% as at 30 June 2024.
- Refreshed the capability requirements for workplace Harassment Contact Officers and established regular meetings with this network.
- Continued to offer information and training to staff, including workplace bystander training, unconscious bias training, and training on trauma-informed practice for the HR team.
- Launched a 'Speak Up' campaign, to increase staff awareness of the expected behaviours and ways of working, and available supports and processes, to maintain a safe, respectful and inclusive workplace.
- Implemented quarterly reporting to management on workplace culture.

Workplace culture

In 2023-24, the PC continued to invest in capability development and promoting a positive and productive culture where staff feel safe, valued, engaged, and supported.

A program of work commenced in the second quarter of 2023-24 in response to the *Independent Review of Workplace Culture of the Productivity Commission* released by the Treasurer in October 2023. The program includes an implementation plan to adopt all 23 recommendations made in the review through reviewing and enhancing:

- internal communications and staff engagement
- governance arrangements to support culture, collaboration, and continuous improvement
- training, tools, and support provided to all staff, supervisors, and leaders
- workplace strategies, policies, procedures, and guidance.

The PC will report on progress to the Government after 12 months.

In the second half of 2023-24, the PC developed:

- a workplace culture reporting framework to provide transparency and consistency in measuring and monitoring the performance of areas that influence culture and support continuous improvement and input from all staff
- a 'Speak up' campaign to raise staff awareness on expected behaviours and ways of working, how to manage and report unacceptable behaviour and available support avenues
- a set of PC Values – Inclusive, Collaborative, Influential, Respectful and Supportive
- our Inclusion and Diversity Strategy 2024–2028.

These activities support our shared commitment to an inclusive and productive workplace and the Government's expectations to invest in a positive, collaborative internal culture and a more diverse workforce.

External and internal scrutiny

The PC's processes, which provide for high levels of transparency and community participation in its work, are a key means of promoting external scrutiny.

External scrutiny is also promoted through the PC's extensive reporting, in various publications, of different aspects of work.

Both the PC and the Australian Government Competitive Neutrality Complaints Office (which has separate functions although located within the PC) have service charters. Performance against the charters is monitored on an exceptions basis – that is, by complaints to designated senior managers. No complaints were received during 2023-24 in respect of either charter.

The Auditor-General issued an unqualified independent audit report on the PC's 2023-24 financial statements. The PC also engages a firm to undertake a program of internal audit reviews. In 2023-24, the PC continued to implement recommendations from past internal audits including the review of key financial controls.

In 2023-24 the PC undertook the following internal audits:

- Recruitment, onboarding and offboarding
- Annual performance statements
- Phase 1 cyber security, essential eight.

The Audit and Risk Committee also plays an important internal scrutiny role. The Committee's efforts during the year related to:

- oversight of the PC's internal audit program
- consideration of annual financial statements
- scrutiny of the PC's risk management assessment and plan
- reviews of relevant ANAO reports and Internal Auditor Reports.

The use of PC reports by federal parliamentary committees during the year is discussed in chapters 2 and 4. The PC is often invited to appear before Senate Committees to assist the work of the Federal Parliament and facilitate scrutiny of its work. The PC also attended Senate Estimates hearings, with appearances by the Chair and senior staff before the Senate Standing Committee on Economics.

The PC's website continues to provide a valuable source of information about the current work of the PC, its publications and other activities. During 2023-24, the PC continued to develop its use of social media to raise awareness of its work and promote participation in its public inquiries and studies. The use of infographics, videos and webinars to highlight and promote aspects of the PC's work also continued.

Management of human resources

The PC's human resources management operates within the context of relevant legislation, government policy and PC-developed policy. Day-to-day management is devolved to senior managers within a broad framework agreed by Management Committee. The Committee routinely monitors the performance of people management functions, including through standing reports to its monthly meetings.

Workforce planning

The PC seeks to maintain a workforce capability that supports its independence, rigorous analysis and transparent processes.

This includes specialist technical expertise, including modelling skills, and cultural capability to engage and work more effectively with Aboriginal and Torres Strait Islander people.

In 2023-24, the PC continued to enhance its workforce planning function. Work continued with our external workforce planning specialists who have undertaken a range of activities, including a current state report and a workforce capability survey, to inform the development of a workforce strategy for the PC. The draft workforce strategy is expected to be provided in the first quarter of 2024-25.

To support this initiative, the PC's workforce reporting will be strengthened to measure the impact and effectiveness of our workforce strategy and planning, and capability development in general.

Remuneration and employment conditions

Remuneration for the Chair and Commissioners is set by the Remuneration Tribunal in determinations that are publicly available on the Tribunal's website.

The PC's Senior Executive Service (SES) employees are employed under individual determinations made under section 24(1) of the *Public Service Act 1999*. SES remuneration is set by the Chair and subject to review periodically in the context of role requirements and how a role is performed, and taking account of public and private sector benchmarks, including those contained in the APS Remuneration Report published by the APSC and the outcomes of the APS-wide bargaining. To support consistency and transparency across the SES cohort, the Chair sets out core SES terms and conditions in a collective section 24(1) determination.

Information on key management personnel remuneration is set out in note 1 to the Financial Statements (chapter 6) and disaggregated reporting is in the appendix. Average remuneration for senior executives and other highly paid staff is also in the appendix.

The salary ranges of the PC's non-SES employees are set out in the Enterprise Agreement 2024-2027 (the Agreement). The PC successfully bargained a new enterprise agreement in accordance with the Public Sector Workplace Relations Policy 2023. The new enterprise agreement came into effect on 14 March 2024.

Following the successful ballot, work commenced on refreshing policies, processes, and systems to implement new or varied conditions contained within the enterprise agreement. This work is ongoing and will continue during 2024-25. New or amended policies will be provided to staff and consulted on through the Productivity Commission Consultative Committee. The Agreement is available on the PC's website. The appendix provides details of salary ranges as at 30 June 2024.

Nine individual flexibility agreements were in place as at 30 June 2024, addressing skills and allowances.

Performance management and pay

All PC employees participate in regular performance management activities. The PC's performance management policy and practice focuses on regular, meaningful feedback to support individuals' development.

The practical elements of the PC's policy and practice are designed to:

- develop and maintain a strong culture of conversation between employees and managers, where two-way discussions and feedback are part of regular work practices
- focus on individual's capability development, including building and maintaining the capability of employees and managers to support and sustain high performance
- recognise that an individual's performance is shaped by both results and outcomes, and the behaviours demonstrated along the way
- focus efforts on learning and development in a way that can be tailored to individuals' needs at different points in their careers.

Ahead of each formal round – which occur at six-monthly intervals – training is offered to employees and managers to ensure readiness for formal feedback sessions.

Under the PC's enterprise agreement, incremental salary increases are conditional upon employees being assessed as performing effectively in their biannual formal performance feedback. Performance bonuses are not a feature of remuneration for PC employees.

Consultative arrangements

The formal employee consultative mechanism is the Productivity Commission Consultative Committee. The Committee comprises elected employee representatives, a Community and Public Sector Union (CPSU) representative, and management representatives. The Committee met twice in 2023-24, reflecting that the Committee has traditionally gone into hiatus during periods of enterprise bargaining.

In addition, there is regular direct consultation between management and employees, including through regular team and all-staff meetings.

Learning and development

The PC's approach to learning and development aims to foster and maintain a vibrant learning culture and support the PC's work and employees' career development.

Employees can undertake learning and development across three core skills families:

- Leadership/Management/Workplace
- Individual/Interpersonal
- Technical

Opportunities for learning and development may be employee-identified, supervisor-encouraged or directed, or reflect organisation-wide initiatives.

In 2023-24, the PC focussed on delivering its learning and development activities in line with the Learning and Development Strategy, including engagement with the Management Committee on emerging priorities, while development of a new workforce strategy was underway. This involved assessing the skills and capabilities the PC has now and requires in the future.

There is an active seminar program involving external experts on a range of policy issues relevant to the PC's work. These seminars are intended to bring new ideas and stimulate debate within the PC, as well as

foster networks with outside experts. In 2023-24, the PC hosted 32 seminars. Ten of these were PC teams presenting and 22 involved an external researcher. Topics included education, housing, competition, electricity markets and labour markets. In 2023-24, the PC also introduced a series of seminars focusing on Aboriginal and Torres Strait Islander people, perspectives and policy topics.

In 2023-24 the Commission convened an Aboriginal and Torres Strait Islander Outcomes Working Group to consider ways to expand and strengthen our ambition for all the Commission's work to better contribute to improving social and economic outcomes for Aboriginal and Torres Strait Islander people. This working group considered ways to improve the Commission's capabilities, to ensure research and policy work is strengthened by Aboriginal and Torres Strait Islander people's perspectives, priorities and knowledge, and help build Indigenous capability within the organisation. This was supported by consultation and engagement with Abstarr Consulting. This work will continue with a comprehensive action plan in 2023-24.

All staff received access to professional development opportunities aligned to their individual performance agreement and development plans, such as external learning activities, one-on-one coaching, and extensive on-the-job training and support. A program of internal seminars on a range of topical economic, social and environmental issues also contributed to staff development.

Employees accessed studies assistance (in the form of paid leave and/or assistance with fees) in the pursuit of tertiary qualifications.

The PC continued to support secondments and temporary transfers, to further build capability and experience.

Organisation-wide programs delivered in 2023-24 included a focus on maintaining a positive and productive workforce through enhancing interpersonal and workplace skills, building cultural awareness and leadership capability, and supporting mental health and wellbeing.

Programs delivered included:

- Mandatory compliance e-learning program (APS essential modules)
- Mentoring program, available to APS and Executive staff
- Jawun Secondment program and other external leadership courses
- New starter training for graduates, including participation in the whole APS graduate event series, and other new employees
- Executive and SES leadership development opportunities
- Giving and receiving feedback training
- Seminars held by our EAP provider TELUS Health to build interpersonal skills and self-awareness
- Mental Health first aid training
- Cultural capability training
- Working with First Nations: Delivering on the Priority Reforms training program through ANZSOG
- Bystander intervention training
- Unconscious bias training
- Trauma informed response training for HR practitioners, APS procurement essentials and contract management training was offered to relevant employees in the corporate group
- Plain English and report writing workshops.

The PC's efforts to build cultural capability included a mix of formal training programs, immersive experiences, seminars, and awareness activities. In 2023-24, 119 staff undertook cultural capability training workshops delivered by Mirri Mirri. The PC supported a number of employees to undertake Jawun secondments and executive visits, and to attend the Garma Festival.

Work health and safety

The PC is committed to providing a physically and psychologically safe work environment for all staff members. The PC's vision for work health and safety (WHS) is for a healthy, engaged and productive workforce, and a safe environment for everyone who attends our workplaces.

A Health and Safety Committee (HSC) oversees the PC's work health and safety program, consistent with the requirements of the *Work Health and Safety Act 2011*:

- committee membership includes work health and safety representatives from both the PC's Canberra and Melbourne offices, as well as management representatives and other invited attendees
- the Committee is the key consultative body for matters related to work health and safety
- the Committee met quarterly during 2023-24.

In 2023-24, quarterly workplace hazard inspections continued to be conducted by members of the Committee, and a register was maintained of identified actions to the PC's response. There were no notifiable incidents, no formal WHS investigations were conducted, and no notices were issued under the WHS Act.

In late 2023, the PC undertook its first psychosocial risk assessment, informed by changes to the WHS Act and Regulations around psychosocial hazards and risk minimisation.

In early 2024, the PC commenced a significant review of the WHS policy, and work health and safety management systems (WHSMS). The updated policy and WHSMS:

- centre on psychological health and safety as much as it does to physical safety
- include an emphasis on safety leadership at all levels, and open and transparent conversations on matters related to safety and wellbeing
- clearly outline roles and responsibilities for all staff members, and specific groups of workers, accompanied by an outline of training requirements.

A revised approach to reporting to management and the HSC on WHS data commenced in 2024, to support the policy and WHSMS. This included quarterly reports covering complaints data, hazard/incident reporting, the number of staff appointed to key volunteer roles to support safety and wellbeing, and Employee Assistance Program (EAP) usage.

Some enduring WHS activities and offerings remain, including:

- continued training for staff who have specific WHS-related responsibilities
- in-house training to educate and support staff on a range of matters related to health, safety and wellbeing
- ongoing regular initiatives, including skin or health checks and annual flu vaccinations
- individual ergonomic workstation assessments and adjustments, where required
- access to a comprehensive EAP
- early intervention support to ill and injured employees, including access to workplace rehabilitation strategies and programs, where applicable, for both compensable and non-compensable matters.

Workplace inclusion and diversity

The PC recognises that an inclusive and diverse workforce improves the employee experience and its capacity to deliver policy advice from a community-wide perspective. Embracing inclusion and diversity builds organisational capability by promoting equity and bringing a diversity of skills and perspectives to the way we work, leading to greater innovation, productivity and better outcomes.

The *PC Inclusion and Diversity Strategy 2024–28* will be published in the first quarter of 2024-25 and builds on the 2019–22 strategy. The strategy outlines the PC's commitment to providing a safe workplace for all,

grounded in respect, where inclusion and diversity is valued and actively fostered, and all employees have an equitable opportunity to participate, contribute and grow.

In 2023-24, key priorities included:

- developing the Inclusion and Diversity Strategy in consultation with staff
- achieving compliance with the Workplace Gender Equality Agency Commonwealth public sector reporting program
- building awareness of personal biases and promoting inclusive and respectful ways of working through formal training programs
- continuing to build cultural capability through training programs, immersive experiences, seminars and activities
- establishing quarterly monitoring of progress towards APS diversity employment targets through the Workplace Culture Reporting Framework
- improving communication, staff connections and engagement by launching a Culture and Wellbeing Hub
- forming a peer-led Pride Network to support LGBTQIA+ employees and their allies to connect, share experiences and work together to promote inclusion and diversity at work
- hosting events and seminars to commemorate diversity days of significance.

The PC aims to meet or exceed all APS diversity workforce targets set by the *Commonwealth Aboriginal and Torres Strait Islander Workforce Strategy 2020-24*, *APS Culturally and Linguistically Diverse Employment Strategy and Action Plan* and *APS Disability Employment Strategy 2020-24*. Progress of these targets is monitored on a quarterly basis as part of the PC's Workplace Culture Reporting Framework.

As at 30 June 2024:

- 54% of staff were female
- 3% of staff identified as Indigenous
- 21% of staff were born outside Australia
- 12% of staff identified as having a first language other than English
- 3% of staff identified as having a disability
- 22% of staff were aged 50 years or older
- 25% of staff were under 30 years of age.

Financial performance

The PC is a non-corporate government entity under the *Public Governance, Performance and Accountability Act 2013*.

Revenue from government in 2023-24 was \$37.0 million (\$37.1 in 2022-23). Revenue from other sources was \$0.2 million (\$0.2 million in 2022-23).

Operating expenses increased in 2023-24 to \$42.2 million (\$37.5 million in 2022-23). The major expenses in 2023-24 were \$32.8 million in respect of employee expenses, \$6.3 million relating to supplier payments, and \$3.0 million in asset depreciation, amortisation, and related expenses.

Under the Australian Government's net cash appropriation arrangements, individual agencies are not funded for depreciation or amortisation expenses through appropriation revenue. The operating result for 2023-24 was a \$5.0 million deficit, after accounting for depreciation and amortisation expenses.

The loss for 2023-24 relates to higher supplier expenses due to the timing of recruitment activities and additional expenditure associated with strategic initiatives and projects within the PC.

Table 3 provides a summary of financial and staffing resources. The agency resource statement is provided in the appendix. The audited financial statements for 2023-24 are shown in chapter 6 and include commentary on major budget variances.

Other reporting requirements

Purchasing

The PC applies the Commonwealth Procurement Rules. The PC's purchases of goods and services during 2023-24 were consistent with the 'value for money' principle underpinning those rules.

The PC did not enter into any contracts or standing offers that were exempt from AusTender publication. During 2023-24, the PC entered into one contract variation over \$100,000 (including GST) that did not include a provision for the ANAO to have access to the contractor's premises if required. The contract was for Application Management and Support services, with Technology One Limited, and holds a total value of \$127,116 (including GST). The omission of the access clause was due to the contract being signed on Technology One's contract template, not the Australian Government's contract template. All remaining contracts of \$100,000 or more included the clause providing access to the Auditor-General, during the reporting period.

The PC supports small business participation in the Commonwealth Government procurement market by, for example, use of the Commonwealth Contracting suite for low-risk procurements valued under \$200,000 and communication in clear, simple language in accordance with the Small Business Engagement Principles. Small and medium enterprises and small enterprise participation statistics are available on the Department of Finance's website at www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts.

Consultancies

The PC engages consultants when it requires specialist expertise or when independent research, review or assessment is required. Decisions to engage consultants during 2023-24 were made in accordance with the PGPA Act and related regulations, including the Commonwealth Procurement Rules and relevant internal policies. The PC continued to utilise the services of a small number of consultants during the year where it was cost-effective to do so.

Total expenditure on consultancies throughout 2023-24 was \$969,181. This included one existing contract that continued into 2023-24 and nine new contracts that commenced in 2023-24 (table 5).

Table 5 – Number and expenditure on consultants, current reporting period (2023-24)

| | Number | Expenditure \$ (GST inc.) |
|---|-----------|---------------------------|
| New contracts entered into during the reporting period | 9 | 929,031 |
| Ongoing contracts entered into during a previous reporting period | 1 | 40,150 |
| Total | 10 | 969,181 |

Table 6 – Organisations receiving a share of reportable consultancy contract expenditure, current reporting period (2023-24)

| | Expenditure \$ (GST inc.) |
|--------------------------------|---------------------------|
| Abstarr Consulting Pty Ltd | 285,475 |
| Terrace Services Pty Ltd | 270,621 |
| Today Strategic Design Pty Ltd | 128,491 |
| The Front Project | 91,300 |
| TMS Consulting Pty Ltd | 69,310 |

Table 7 – Expenditure on consultancies, 2019-20 to 2023-24

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|-------------|---------|---------|---------|---------|---------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Expenditure | 181 | 67 | 42 | 50 | 969 |

Reportable non consultancy contracts

During 2023-24, the PC entered into 40 new non-consultancy contracts. Thirty-nine ongoing non-consultancy contracts were active during this period, involving total actual expenditure of \$6,925,942 (table 8).

Table 8 – Number and expenditure on reportable non consultancy contracts, current reporting period (2022-23)

| | Number | Expenditure \$ (GST inc.) |
|---|--------|---------------------------|
| New contracts entered into during the reporting period | 40 | 2,432,217 |
| Ongoing contracts entered into during a previous reporting period | 39 | 4,493,726 |
| Total | 79 | 6,925,942 |

Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website www.tenders.gov.au.

Table 9 – Organisations receiving a share of reportable non-consultancy contract expenditure, current reporting period (2023-24)

| | Expenditure \$ (GST inc.) |
|---------------------------------|---------------------------|
| Jones Lang LaSalle Incorporated | 1,580,411 |
| Knight Frank Australia Pty Ltd | 1,410,320 |
| Pro AV Solutions (NSW) | 775,186 |
| Technology One Ltd | 298,189 |
| Macquarie Telecom Pty Ltd | 285,475 |

Ecologically sustainable development (ESD)

Under the *Environment Protection and Biodiversity Conservation Act 1999*, agencies are required – through their annual reports – to report on ecologically sustainable development (ESD) and environmental matters. This requirement is part of the Government’s program to improve progress in implementing ESD.

The PC operates under statutory guidelines, one of which is to have regard to the need ‘to ensure that industry develops in a way that is ecologically sustainable’ (s. 8(1)(i) of the PC Act). This legislation also prescribes that at least one member of the PC ‘must have extensive skills and experience in matters relating to the principles of ecologically sustainable development and environmental conservation’ (s. 26(3)).

There are five aspects against which agencies are required to report.

The first relates to how an agency’s actions during the reporting period accorded with the principles of ESD. Reflecting its statutory guidelines, ESD principles are integral to the PC’s analytical frameworks, their weighting depending on the particular inquiry or research topic. The PC’s inquiries into the Murray–Darling Basin Plan: Implementation Review and the Future Drought Fund inquiry are examples of work undertaken in 2023-24 that required integration of complex economic, social and environmental considerations.

The second reporting requirement asks how the Government’s outcome for the PC contributes to ESD. As stated elsewhere in this report, the outcome nominated for the PC is:

Well-informed policy decision making and public understanding on matters relating to Australia’s productivity and living standards, based on independent and transparent analysis from a community-wide perspective.

In pursuing this outcome, the PC is required to take into account impacts on the community as a whole – these may be economic, social and/or environmental. The transparency of its processes provides the opportunity for anyone with an interest in an inquiry to make their views known and to have these considered. Consequently, a broad range of views and circumstances are taken into account, in keeping with the ESD principle that ‘decision-making processes should effectively integrate both long-term and short-term economic, environmental, social and equity considerations’.

The third to fifth reporting requirements relate to the impact of the PC’s internal operations on the environment. The PC is a relatively small, largely office-based, organisation in rented accommodation, and it adopts measures aimed at the efficient management of waste and minimising energy consumption.

Australian Public Service Net Zero 2030

As part of the reporting requirements under section 516A of the *Environment Protection and Biodiversity Conservation Act 1999*, and in line with the Government’s APS Net Zero 2030 policy, agencies are required to publicly report on the emissions from their operations, commencing with public reporting of 2022-23 emissions in annual reports.

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

The Greenhouse Gas Emissions Inventory presents greenhouse gas emissions over the 2023-24 period. Results are presented on the basis of Carbon Dioxide Equivalent (CO₂-e) emissions. Greenhouse gas emissions reporting has been developed with methodology that is consistent with the whole of Australian Government approach as part of the APS Net Zero 2030 policy. Not all data sources were available at the time of the report and adjustments to baseline data may be required in future reports.

During 2023-24, the PC was accountable for total carbon emissions quantified at 269,421 kilograms of CO₂ equivalent. An assessment of the emissions' provenance revealed that Scope 3 emissions represented approximately 60% of the comprehensive emissions across the PC. In comparison, Scope 2 emissions had a relatively smaller contribution, representing 39% of the total emissions.

Investigations into Scope 2 emissions revealed that the sole source was the procurement of electricity for leased sites. The analysis of Scope 3 emissions attributes the bulk of these to air travel.

The PC's recorded environmental emissions for 2023-24 are detailed in table 10 (below). The electricity emissions reported in table 10 are calculated using the location-based accounting method (CO₂-e=Carbon Dioxide Equivalent).

Table 11 presents emissions related to electricity usage using both the location-based and the market-based accounting methods, CO₂-e=Carbon Dioxide Equivalent. Mandatory renewables are the portion of electricity consumed from the grid that is generated by renewable sources. This includes the renewable power percentage. Voluntary renewables reflect the eligible carbon credit units surrendered by the entity. This may include purchased large-scale generation certificates, power purchasing agreements, GreenPower and the jurisdictional renewable power percentage (ACT only).

Table 10 – Greenhouse Gas Emissions Inventory – Location-Based Method, 2023-24

| Emission Source | Scope 1 kg CO ₂ -e | Scope 2 kg CO ₂ -e | Scope 3 kg CO ₂ -e | Total kg CO ₂ -e |
|---------------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------------|
| Electricity (Location Based Approach) | N/A | 106,922 | 8,660 | 115,582 |
| Natural Gas | 0 | N/A | 0 | 0 |
| Solid Waste* | N/A | N/A | 0 | 0 |
| Refrigerants*† | 0 | N/A | N/A | 0 |
| Fleet And Other Vehicles | 0 | N/A | 0 | 0 |
| Domestic Flights | N/A | N/A | 126,960 | 126,960 |
| Domestic Car Hire* | N/A | N/A | 501 | 501 |
| Domestic Travel Accommodation | N/A | N/A | 26,379 | 26,379 |
| Other Energy | 0 | N/A | 0 | 0 |
| Total kg CO₂-e | 0 | 106,922 | 162,500 | 269,421 |

* Indicates emission sources collected for the first time in 2023-24. The quality of the data is expected to improve over time as emissions reporting matures. † Indicates optional emission source for 2023-24 emissions reporting.

Table 11 – Electricity Greenhouse Gas Emissions Inventory, 2023-24

| Emission Source | Scope 2 kg CO ₂ -e | Scope 3 kg CO ₂ -e | Total | Percentage of Electricity Use |
|---------------------------------------|-------------------------------|-------------------------------|---------|-------------------------------|
| Electricity (Location Based Approach) | 106,922 | 8,660 | 115,582 | 100 |
| Market-based Electricity Emissions | 56,432 | 6,967 | 63,398 | 48.26 |
| Total Renewable Electricity | - | - | - | 51.74 |
| Mandatory Renewables 1 | - | - | - | 18.72 |
| Voluntary Renewables 2 | - | - | - | 33.02 |

Australia's Disability Strategy

Since 1994, Commonwealth departments and agencies have reported on their performance as policy adviser, purchaser, employer, regulator, and provider under Australia's Disability Strategy. In 2007-08, reporting on the employer role was transferred to the Australian Public Service Commission's State of the Service reports and the APS Statistical Bulletin. These reports are available at www.apsc.gov.au. From 2010-11, departments and agencies have no longer been required to report on these functions.

Australia's Disability Strategy 2021–31 was launched in December 2021, and replaces the National Disability Strategy 2010–2020 (original strategy). It sets about a plan for continuing to improve the lives of people with disability in Australia over the next ten years.

Disability employment was one of the key focus areas of the PC's Workplace Diversity and Inclusion Strategy 2019–22 and has continued to be a priority for the PC during 2023-24. In addition to increasing employment with disability and the overall diversity of our workforce, the *PC Inclusion and Diversity Strategy 2024–2028* commits to improving leadership capability and inclusive ways of working, providing a safe, healthy and accessible workplace and building a knowledgeable, aware and committed workforce.

Consistent with Australia's Disability Strategy to increase employment of people with disability, over this period the PC commenced advertising employment opportunities on The Field Jobs to connect with talented job seekers with disability. The PC has a membership with the Australian Disability Network (AND) and a representative on AND's Champions Network. The PC has also nominated to participate in AND's Stepping Into Summer internship program for 2024-25. The PC continues to identify opportunities to make our workplace more accessible for people with disability and provides reasonable adjustments to all staff, as required.

Freedom of information

Entities subject to the *Freedom of Information Act 1982* (FOI Act) are required to publish information to the public as part of the Information Publication Scheme (IPS). This requirement is in Part II of the FOI Act and has replaced the former requirement to publish a section 8 statement in an annual report.

Each agency must display on its website a plan showing what information it publishes in accordance with the IPS requirements. The PC's plan is at www.pc.au/about/governance/freedom-of-information.

Child Safe Framework Statement

The PC is committed to the safety of children and safeguarding children from abuse, neglect and exploitation. The PC seeks to create and maintain behaviours, practices and an organisational culture that acknowledges the importance of child safety and wellbeing.

During the limited occasions where staff engaged with children in 2023-24, staff ensured that this was done respectfully, sensitively and responsibly. The PC has been guided by experts when engaging with children to ensure that children's safety and wellbeing is our highest priority. For example, the PC worked with the Front Project (a qualified intermediary) to obtain young children's views as part of the early childhood education and care inquiry. The PC undertakes pre-employment criminal history screening, and employees are subject to an enduring integrity framework.

Annual risk assessment

The PC has undertaken a risk assessment of its operations in 2023-24 as they relate to our engagement with children. Control measures are in place to ensure we both operationalise our commitment to the safety and protection of children and young people and meet our obligations under the Commonwealth Child Safe Framework.

The PC's Statement of Compliance was published on our website on 31 October 2023 at www.pc.gov.au/about/governance/child-safe-compliance.

Cost of government-commissioned projects

The PC endeavours to conduct projects efficiently, while ensuring rigorous analysis and maximising the opportunity for participation. The total estimated costs (covering salaries, direct administrative expenses and an allocation for corporate overheads) for inquiries and commissioned research studies completed in 2023-24 are shown in table 12.

The major administrative (non-salary) costs associated with public inquiries and other government-commissioned projects relate to the PC's extensive consultation processes and the wide dissemination of its draft and final reports. These costs have increased slightly compared with 2022-23.

Table 12 – Cost of public inquiries and other government commissioned projects completed in 2023-24^a

| Government Commissioned project | Total cost ^a (\$'000) |
|---|----------------------------------|
| Philanthropy | 2,361 |
| Review of Part 3 of the Future Drought Fund Act | 1,266 |
| Early Childhood Education and Care | 4,052 |
| Murray–Darling Basin Plan: Implementation Review 2023 | 2,874 |
| National Agreement on Closing the Gap Review | 4,978 |
| National Water Reform 2024 | 1,164 |

a. Includes estimated overheads and staffing.

Advertising and market research

The PC does not undertake 'advertising campaigns'. However, it does publicise its government commissioned inquiries and studies so that any individual, firm or organisation with an interest has an opportunity to present their views. Publicity takes the form of newspaper advertisements (as required by the PC Act), press releases, email alerts, notification on the PC's website and via social media, and distribution of PC circulars.

In 2023-24, expenditure on advertising related to commissioned inquiries and studies was \$10,585 (GST excl.) (2022-23 \$34,408).

Financial statements

Independent Auditors Report



INDEPENDENT AUDITOR'S REPORT

To the Treasurer

Opinion

In my opinion, the financial statements of the Productivity Commission (the Entity) for the year ended 30 June 2024:

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

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

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

Basis for opinion

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

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Chair 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 Chair is also responsible for such internal control as the Chair 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 Chair 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 Chair 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.

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

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



Shane Svoboda
Audit Principal

Delegate of the Auditor-General

Canberra
24 September 2024

Productivity Commission

Financial Statements
for the period ended 30 June 2024

Statement by the Chair and Chief Financial Officer

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

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



Danielle Wood
Chair
23 September 2024



Jane Holmes
Chief Financial Officer
23 September 2024

Statement of Comprehensive Income

for the period ended 30 June 2024

| | | 2024 | 2023 | Original Budget |
|--|-------|-----------------|-----------------|--------------------|
| | Notes | \$'000 | \$'000 | \$'000 |
| NET COST OF SERVICES | | | | |
| Expenses | | | | |
| Employee benefits | 1A | 32,756 | 29,751 | 30,122 |
| Suppliers | 2A | 6,307 | 4,497 | 4,732 |
| Depreciation and amortisation | 4A | 3,011 | 3,121 | 3,179 |
| Finance costs | 2D | 121 | 149 | - |
| Write-down and impairment of assets | | 37 | - | 228 |
| Total expenses | | 42,232 | 37,518 | 38,261 |
| Own-source income | | | | |
| Own-source revenue | | | | |
| Revenue from contracts with customers | 5B | 151 | 158 | 10 |
| Resources received free of charge | 5C | 50 | 50 | 50 |
| Total own-source revenue | | 201 | 208 | 60 |
| Net (cost of)/contribution by services | | (42,031) | (37,310) | (38,201) |
| Revenue from Government | | 37,023 | 37,104 | 37,023 |
| (Deficit)/Surplus attributable to the Australian Government | | (5,008) | (206) | (1,178) |
| Total comprehensive income/(loss) | | (5,008) | (206) | (1,178) |

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

Budget variances commentary

The main budget variance relates to an increase in supplier expenses due to the timing of recruitment activities and additional expenditure associated with strategic initiatives and projects within the Commission.

Statement of Financial Position

as at 30 June 2024

| | Notes | 2024 \$'000 | 2023 \$'000 | Original Budget \$'000 |
|---|-------|----------------|----------------|------------------------------|
| ASSETS | | | | |
| Financial assets | | | | |
| Cash and cash equivalents | | 400 | 412 | 389 |
| Appropriation receivables | 3C | 36,493 | 40,923 | 39,735 |
| Trade and other receivables | 5A | 290 | 171 | 171 |
| Total financial assets | | 37,183 | 41,506 | 40,295 |
| Non-financial assets | | | | |
| Buildings ¹ | 4A | 13,144 | 15,861 | 13,055 |
| Plant and equipment | 4A | 1,268 | 736 | 732 |
| Intangibles - computer software | 4A | - | - | 1 |
| Prepayments | | 445 | 414 | 798 |
| Total non-financial assets | | 14,857 | 17,011 | 14,586 |
| Total assets | | 52,040 | 58,517 | 54,881 |
| LIABILITIES | | | | |
| Payables | | | | |
| Suppliers | 2B | 623 | 719 | 580 |
| Employee payables | | 850 | 816 | 629 |
| Total payables | | 1,473 | 1,535 | 1,209 |
| Interest bearing liabilities | | | | |
| Leases | 2C | 11,621 | 13,753 | 11,876 |
| Total interest bearing liabilities | | 11,621 | 13,753 | 11,876 |
| Provisions | | | | |
| Employee provisions | 1B | 9,340 | 9,466 | 9,444 |
| Total provisions | | 9,340 | 9,466 | 9,444 |
| Total liabilities | | 22,434 | 24,754 | 22,529 |
| Net assets | | 29,606 | 33,763 | 32,352 |
| EQUITY | | | | |
| Contributed equity | | 13,825 | 12,974 | 13,825 |
| Reserves | | 1,827 | 1,827 | 1,827 |
| Retained surplus/(Accumulated deficit) | | 13,954 | 18,962 | 16,700 |
| Total equity | | 29,606 | 33,763 | 32,352 |

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

¹ Right-of-use assets are included in Buildings line item.

Budget variances commentary

The main budget variance is the decrease in appropriation receivables due to employee and supplier costs being higher than budgeted, therefore a greater amount of appropriation was required. Plant and equipment have increased due to investment in technology.

Statement of Changes in Equity

for the period ended 30 June 2024

| | 2024 \$'000 | 2023 \$'000 | Original Budget \$'000 |
|--|----------------|----------------|------------------------------|
| CONTRIBUTED EQUITY | | | |
| Opening balance | | | |
| Balance carried forward from previous period | 12,974 | 12,140 | 12,974 |
| Transactions with owners | | | |
| Contributions by owners | | | |
| Departmental capital budget | 851 | 834 | 851 |
| Total transactions with owners | <u>851</u> | <u>834</u> | <u>851</u> |
| Closing balance as at 30 June | <u>13,825</u> | <u>12,974</u> | <u>13,825</u> |
| RETAINED EARNINGS | | | |
| Opening balance | | | |
| Balance carried forward from previous period | 18,962 | 19,168 | 17,878 |
| Comprehensive income | | | |
| Surplus/(Deficit) for the period | <u>(5,008)</u> | <u>(206)</u> | <u>(1,178)</u> |
| Total comprehensive income | <u>(5,008)</u> | <u>(206)</u> | <u>(1,178)</u> |
| Closing balance as at 30 June | <u>13,954</u> | <u>18,962</u> | <u>16,700</u> |
| ASSET REVALUATION RESERVE | | | |
| Opening balance | | | |
| Balance carried forward from previous period | 1,827 | 1,827 | 1,827 |
| Comprehensive income | | | |
| Other comprehensive income | <u>-</u> | <u>-</u> | <u>-</u> |
| Total comprehensive income | <u>-</u> | <u>-</u> | <u>-</u> |
| Closing balance as at 30 June | <u>1,827</u> | <u>1,827</u> | <u>1,827</u> |
| TOTAL EQUITY | | | |
| Opening balance | | | |
| Balance carried forward from previous period | 33,763 | 33,135 | 32,679 |
| Comprehensive income | | | |
| Surplus/(Deficit) for the period | <u>(5,008)</u> | <u>(206)</u> | <u>(1,178)</u> |
| Other comprehensive income | <u>-</u> | <u>-</u> | <u>-</u> |
| Total comprehensive income | <u>(5,008)</u> | <u>(206)</u> | <u>(1,178)</u> |
| Transactions with owners | | | |
| Contributions by owners | | | |
| Departmental capital budget | 851 | 834 | 851 |
| Total transactions with owners | <u>851</u> | <u>834</u> | <u>851</u> |
| Closing balance as at 30 June | <u>29,606</u> | <u>33,763</u> | <u>32,352</u> |

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

Accounting policy**Equity injections**

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

Budget variances commentary

Major budget variances for balances contained in the Statement of Changes in Equity have been included in the budget variances commentary for the Statement of Comprehensive Income and the Statement of Financial Position.

Cash Flow Statement

as at 30 June 2024

| | Notes | 2024 \$'000 | 2023 \$'000 | Original Budget \$'000 |
|---|-------|----------------|----------------|------------------------------|
| OPERATING ACTIVITIES | | | | |
| Cash received | | | | |
| Appropriations | | 43,135 | 37,493 | 36,903 |
| Sale of goods and rendering of services | | 68 | 138 | 10 |
| GST received | | 805 | 547 | - |
| Total cash received | | 44,008 | 38,178 | 36,913 |
| Cash used | | | | |
| Employees | | 32,848 | 28,712 | 30,002 |
| Suppliers | | 6,384 | 4,515 | 4,682 |
| Interest payments on lease liabilities | | 121 | 149 | 228 |
| GST paid | | 840 | 596 | - |
| Section 74 receipts transferred to OPA | | 1,566 | 2,164 | - |
| Total cash used | | 41,759 | 36,136 | 34,912 |
| Net cash from/(used by) operating activities | | 2,249 | 2,042 | 2,001 |
| INVESTING ACTIVITIES | | | | |
| Cash used | | | | |
| Purchase of plant and equipment | | 863 | 256 | 492 |
| Total cash used | | 863 | 256 | 492 |
| Net cash from/(used by) investing activities | | (863) | (256) | (492) |
| FINANCING ACTIVITIES | | | | |
| Cash received | | | | |
| Contributed equity | | 735 | 249 | 492 |
| Total cash received | | 735 | 249 | 492 |
| Cash used | | | | |
| Principal payments of lease liabilities | | 2,133 | 2,012 | 2,001 |
| Total cash used | | 2,133 | 2,012 | 2,001 |
| Net cash from/(used by) financing activities | | (1,398) | (1,763) | (1,509) |

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

Budget variances commentary

The variance in total cash used and received reflects higher supplier and employee related expenses (refer to commentary under the Statement of Comprehensive Income).

Notes to and forming part of the financial statements

Overview

Objectives of the Productivity Commission

The Productivity Commission is an Australian Government controlled entity. It is a not-for-profit entity. The objective of the Commission is to provide independent research and advice on a range of economic, social and environmental issues affecting the welfare of Australians. The Commission's work encompasses all sectors of the economy as well as social and environmental issues. Its activities cover all levels of government responsibility – federal, state and territory and local.

As a review and advisory body, the Commission does not have responsibility for implementing government programs. It carries out inquiry, research, advising and incidental functions prescribed under the *Productivity Commission Act 1998*.

The basis of preparation

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:

- a. *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR), and
- b. 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 for certain assets and liabilities 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.

New accounting standards

The following amending standards have been adopted for the first time in the 2023-24 reporting period:

| Standard/Interpretation | Nature of change in accounting policy, transitional provisions and adjustment to financial statements |
|--|---|
| AASB 2020-1 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current</i> | <p>AASB 2020-1 amends AASB 101 to clarify the classification of liabilities as either current or non-current. For example, a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period.</p> <p>This amending standard did not have a material impact on the Commission's financial statements for the current reporting period or future reporting periods.</p> |

All new standards, revised standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the current reporting period did not have a material effect on the Commission's financial statements.

Notes to and forming part of the financial statements

Taxation

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

Events after the reporting period

There was no subsequent event that had the potential to significantly affect the on-going structure and financial activities of the Commission.

Accounting policies

Cash & cash equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents include cash on hand and deposits in bank accounts.

Notes to and forming part of the financial statements

1. Employee related

| | 2024 \$'000 | 2023 \$'000 |
|----------------------------------|----------------|----------------|
| 1A. Employee benefits | | |
| Wages and salaries | 25,242 | 21,983 |
| Superannuation | | |
| Defined contribution plans | 2,560 | 2,312 |
| Defined benefit plans | 1,637 | 1,943 |
| Leave and other entitlements | 3,317 | 3,513 |
| Total employee benefits | 32,756 | 29,751 |
| 1B. Employee provisions | | |
| Leave | 9,340 | 9,466 |
| Total employee provisions | 9,340 | 9,466 |

Accounting policy

Liabilities for 'short term employee benefits' (as defined in AASB 119 *Employee Benefits*) and termination benefits expected to be settled within twelve months of the end of the reporting period are measured at their nominal amounts.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provision for annual leave and long service 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 the Commission'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 use of the Australian Government Actuary's shorthand method using the Standard Commonwealth sector probability profile. The estimate of the present value of the liability takes into account staff turnover rates and expected pay increases. This method is affected by fluctuations in the Commonwealth Government 10 year Treasury Bond rate.

Superannuation

Staff at the Commission are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), or the PSS accumulation plan (PSSap), or other superannuation funds held outside the Australian Government.

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

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes. The Commission makes employer contributions to the employees' superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. The Commission accounts for the contributions as if they were contributions to defined contribution plans.

Notes to and forming part of the financial statements

Superannuation (continued)

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the financial year.

1C. Key Management Personnel Remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Commission, directly or indirectly, including any director (whether executive or otherwise) of the Commission.

The Commission has determined the key management personnel to be the members of the Management Committee and that consists of the Chair, Deputy Chair, Head of Office, First Assistant Commissioners, Assistant Commissioner, Corporate and Assistant Commissioner, Strategic Communications and Engagement. Key management remuneration is reported in the table below.

| | 2024 | 2023 |
|---|---------------------|--------------|
| | \$'000 | \$'000 |
| Short-term employee benefits | 2,460 | 2,256 |
| Post-employment benefits | 349 | 267 |
| Other long-term employee benefits | 61 | 54 |
| Total key management personnel remuneration expenses¹ | <u>2,870</u> | <u>2,577</u> |

The total number of key management personnel that are included in the above table is 8 (2023: 9).

¹ The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the Commission.

1D. Related party disclosures

Related party relationships

The Commission is an Australian Government controlled entity. Related parties to the Commission are Key Management Personnel including the Portfolio Minister and Executive and other Australian Government entities.

Transactions with related parties

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions are the payment or refund of taxes, receipt of Medicare rebate or higher education loans. These transactions have not been disclosed in this note.

The Commission transacts with other Australian Government controlled entities consistent with normal day-to-day business operations provided under normal terms and conditions, including payment of workers compensation and insurance premiums, transfer of employee entitlements, purchase of statistical data, and other payments required by/according to Government policy or regulations. These are not considered individually significant to warrant separate disclosure as related party transactions.

Key Management Personnel disclosures were completed and no related party transactions were identified.

Notes to and forming part of the financial statements

2. Supplier related

| | 2024 \$'000 | 2023 \$'000 |
|--|----------------|----------------|
| 2A. Supplier expenses | | |
| Goods and services supplied or rendered | | |
| Audit fees | 156 | 99 |
| Consultants | 897 | 55 |
| Contractors | 95 | 94 |
| Data materials | 187 | 189 |
| External communications | 215 | 112 |
| IT services | 1,077 | 1,014 |
| Online services & support | 641 | 578 |
| Property operating costs | 648 | 558 |
| Recruitment & training | 876 | 395 |
| Travel | 884 | 870 |
| Other | 555 | 488 |
| Total goods and services supplied or rendered | 6,231 | 4,452 |
| Goods supplied | 126 | 95 |
| Services rendered | 6,105 | 4,357 |
| Total goods and services supplied or rendered | 6,231 | 4,452 |
| Other suppliers | | |
| Workers compensation expenses | 41 | 45 |
| Short-term & low value leases | 35 | - |
| Total other suppliers | 76 | 45 |
| Total suppliers | 6,307 | 4,497 |

The above lease disclosure should be read in conjunction with the accompanying notes 2C, 2D and 4A.

Accounting policy

Short-term leases and leases of low value assets

The Commission has elected not to recognise right-of-use assets and lease liabilities for short term leases of assets that have a lease term of 12 months or less and leases of low-value assets (less than \$10,000). The Commission recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term. The Commission has two short term leases for the provision of office space.

2B. Supplier payables

| | | |
|------------------------------|------------|------------|
| Trade creditors and accruals | 623 | 719 |
| Total suppliers | 623 | 719 |

Settlement was usually made within 20 days (2023: 20 days). Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

Notes to and forming part of the financial statements

| | 2024 \$'000 | 2023 \$'000 |
|--|----------------|----------------|
| 2C. Leases | | |
| Lease liabilities | 11,621 | 13,753 |
| Total leases | 11,621 | 13,753 |
| Maturity analysis - contractual undiscounted cash flows | | |
| Within 1 year | 2,348 | 2,253 |
| Between 1 to 5 years | 7,612 | 8,678 |
| More than 5 years | 1,866 | 3,147 |
| Total leases | 11,826 | 14,078 |

Total cash outflow for leases for the year ended 30 June 2024 was \$2.3 million (2023: \$2.2 million).

The above lease disclosures should be read in conjunction with the accompanying notes 2A, 2D and 4A.

Accounting policy

Leases

For all new contracts entered, the Commission considers whether the contract is, or contains a lease. Once it has been determined that it is a lease, the lease liability is measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, or the Commission's incremental borrowing rate.

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

2D. Finance costs

| | | |
|-------------------------------|------------|------------|
| Interest on lease liabilities | 121 | 149 |
| Total other payables | 121 | 149 |

The above lease disclosures should be read in conjunction with the accompanying notes 2A, 2C and 4A.

Accounting policy

All borrowing costs are expensed as incurred.

Notes to and forming part of the financial statements

3. Funding from Government and other sources

| | 2024 \$'000 | 2023 \$'000 |
|--|----------------|----------------|
| 3A. Annual appropriations ('recoverable GST exclusive') | | |
| Departmental | | |
| Ordinary annual services ¹ | 37,023 | 37,418 |
| Capital budget ² | 851 | 834 |
| Annual appropriation | 37,874 | 38,252 |
| Adjustments to appropriation ³ | 1,566 | 1,604 |
| Total appropriation | 39,440 | 39,856 |
| Appropriation applied (current and prior years) | | |
| Ordinary annual services | 43,135 | 36,910 |
| Capital budget | 735 | 249 |
| Total appropriation applied | 43,870 | 37,159 |
| Variance ⁴ | (4,430) | 2,697 |

¹ In 2023-24, no appropriations have been withheld (under section 51 of the PGPA Act) or quarantined for administration purposes (2023: \$314,000).

² Departmental Capital Budgets are appropriated through Appropriation Acts (No.1,3,5). They form part of ordinary annual services and are not separately identified in the Appropriation Acts.

³ Adjustment to appropriation include PGPA Act Section 74 receipts and section 51 withholdings.

⁴ In 2023-24, the variance between total appropriation and appropriation applied relates to the timing of recruitment activities and additional expenditure associated with strategic initiatives and projects within the Commission.

In the published 2022-23 Annual Report, the disclosure for this note contains transposition errors. The comparative disclosure provided above reflects the correct amounts.

3B. Unspent annual appropriations ('recoverable GST exclusive')

Authority

| | | |
|--|---------------|---------------|
| <i>Appropriation Act (No. 1) 2021-2022</i> | - | 820 |
| <i>Supply Act (No. 1) 2022-23</i> | 167 | 18,104 |
| <i>Supply Act (No.3) 2022-23¹</i> | 486 | 21,999 |
| <i>Appropriation Act (No. 1) 2023-2024</i> | 35,840 | - |
| Cash at Bank | 400 | 412 |
| Total | 36,893 | 41,335 |

¹ An amount of \$314,000 has been formally withheld under the direction section 51 of the *Public Governance, Performance and Accountability (PGPA) Act*.

Notes to and forming part of the financial statements

Accounting policy

Revenue from Government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the Commission 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. Appropriation receivables are recognised at their nominal amounts.

| | 2024 \$'000 | 2023 \$'000 |
|---|-----------------------|-----------------------|
| <u>3C. Appropriation receivables</u> | | |
| Appropriation receivable | <u>36,493</u> | <u>40,923</u> |
| Total appropriation receivable | <u>36,493</u> | <u>40,923</u> |
| | | |
| <u>3D. Net Cash Appropriation Arrangements</u> | | |
| Total comprehensive income / (loss) - as per the Statement of Comprehensive Income | (5,008) | (206) |
| <i>Plus:</i> depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and /or equity injections) ¹ | 817 | 927 |
| <i>Plus:</i> depreciation right-of-use assets ² | 2,194 | 2,194 |
| <i>Less:</i> lease principal repayments ² | <u>(2,133)</u> | <u>(2,012)</u> |
| Net Cash Operating Surplus / (Deficit) | <u>(4,130)</u> | <u>903</u> |

¹ From 2010-11, the Government introduced net cash appropriation arrangements where revenue appropriations for depreciation/amortisation expenses ceased. Entities now receive a separate capital budget provided through equity appropriations. Capital budgets are to be appropriated in the period when cash payment for capital expenditure is required.

² The inclusion of depreciation/amortisation expenses related to ROU leased assets and the lease liability principal repayment amount reflects the impact of AASB 16 *Leases*, which does not directly reflect a change in appropriation arrangements.

Notes to and forming part of the financial statements

4. Property, plant and equipment

4A. Reconciliation of the opening & closing balances of property, plant & equipment and intangibles

| | Buildings ¹ | Plant and equipment | Intangibles -computer software | Total |
|--|------------------------|------------------------|--------------------------------------|---------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| As at 1 July 2023 | | | | |
| Gross book value | 24,295 | 1,456 | 11 | 25,762 |
| Accumulated depreciation, amortisation and impairment | (8,434) | (720) | (11) | (9,165) |
| Total as at 1 July 2023 | 15,861 | 736 | - | 16,597 |
| Additions | | | | |
| By purchase | 39 | 824 | - | 863 |
| Revaluations and impairments recognised in other comprehensive income | - | (37) | - | (37) |
| Depreciation and amortisation | (562) | (255) | - | (817) |
| Depreciation on right-of-use assets | (2,194) | - | - | (2,194) |
| Total as at 30 June 2024 | 13,144 | 1,268 | - | 14,412 |
| Total as at 30 June 2024 represented by | | | | |
| Gross book value | 24,334 | 2,236 | - | 26,570 |
| Accumulated depreciation, amortisation and impairment | (11,190) | (968) | - | (12,158) |
| Total as at 30 June 2024 | 13,144 | 1,268 | - | 14,412 |
| Carrying amount of right-of-use assets | 10,330 | - | - | 10,330 |

¹ Buildings include leasehold improvements and right-of-use assets.

The fair value of buildings has been taken to be the fair value measurement of similar buildings as determined by an independent valuer as at 30 June 2021. Management has assessed that there has not been sufficient movement in the market values in the past twelve months to require an independent valuation be completed for the period ending 30 June 2024.

The Commission has no contractual commitments for the acquisition of plant and equipment as at 30 June 2024.

Notes to and forming part of the financial statements

Accounting policy

Asset recognition threshold

Purchases of property, plant and equipment and software are recognised initially at cost in the statement of financial position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Lease 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.

Following initial application of AASB 16, 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. Lease ROU assets continue to be measured at cost after initial recognition.

Revaluations

Following initial recognition at cost, property, plant and equipment excluding ROU assets are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values at the reporting date. The regularity of independent valuations depends upon the 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 reverses a previous revaluation decrement of the same asset class that was previously recognised in surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

Assets were last revalued by Jones Lang LaSalle Advisory Services Pty Ltd in 2021. Management has assessed that there has not been sufficient movement in the market values in the past twelve months to require an independent valuation be completed for the period ending 30 June 2024.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Depreciation & amortisation

Depreciable property, plant and equipment assets and intangible assets are written-off to their estimated residual values over their estimated useful lives to the Commission using, in all cases, the straight-line method of depreciation.

Depreciation and amortisation 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.

Notes to and forming part of the financial statements

Accounting Policy (continued)

Depreciation and amortisation rates applying to each class of depreciable asset are based on the following useful lives:

| Asset class | 2024 | 2023 |
|---|---------------|---------------|
| Buildings (leasehold improvements and ROU assets) | Lease term | Lease term |
| Plant and equipment | 3 to 20 years | 3 to 20 years |
| Intangibles (computer software) | 3 to 5 years | 3 to 5 years |

Impairment

All assets were assessed for impairment at 30 June 2024. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows and the asset would be replaced if the Commission were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

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

Intangibles

The Commission's intangibles comprise of purchased software. These assets are carried at cost less accumulated amortisation and accumulated impairment losses. All intangible assets were assessed for indications of impairment as at 30 June 2024.

| | 2024 \$'000 | 2023 \$'000 |
|---|----------------|----------------|
| 4B. Fair value measurement | | |
| Fair value measurements at the end of the reporting period | | |
| Non-financial assets | | |
| Buildings | 13,144 | 15,861 |
| Other property, plant and equipment | 1,268 | 736 |
| Total fair value measurements in the statement of financial position | 14,412 | 16,597 |

The above disclosure should be read in conjunction with the accompanying note 4A.

Notes to and forming part of the financial statements

5. Other financial assets and own source income

| | 2024 \$'000 | 2023 \$'000 |
|--|----------------|----------------|
| 5A. Trade and other receivables | | |
| Goods and services receivables | | |
| Goods and services | 182 | 98 |
| Total goods and services receivables | 182 | 98 |
| Other receivables | | |
| GST receivable from the Australian Taxation Office | 108 | 73 |
| Total other receivables | 108 | 73 |
| Total trade and other receivables (gross and net) | 290 | 171 |

Credit terms for goods and services were within 30 days (2023: 30 days).

Accounting policy

Receivables for goods and services are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at the end of the reporting period. An expected credit loss is made when collectability of the debt is no longer probable.

5B. Revenue from contracts with customers

| | | |
|---|------------|------------|
| Rendering of services - outsourced service delivery | 151 | 158 |
| Total revenue from contracts with customers | 151 | 158 |

There is no disaggregation of revenue from contracts with customers as all contracts were of similar characteristics and customers.

Accounting policy

Revenue from the rendering of services is recognised at a point in time when the performance obligation is satisfied, when the service is completed and over time when the customer simultaneously receives and consumes the services as it is provided. The Commission's non-appropriation revenue primarily consists of the provision of shared services to another government agency via a memorandum of understanding (MOU) on a cost recovery basis.

5C. Resources received free of charge

| | | |
|--|-----------|-----------|
| Remuneration of auditors | 50 | 50 |
| Total resources received free of charge | 50 | 50 |

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.

Notes to and forming part of the financial statements

6. Other information

6A. Contingent assets and liabilities

At 30 June 2024, the Commission had no quantifiable contingent assets or liabilities (2023: Nil).

Accounting policy

Contingent assets and contingent liabilities are not recognised in the statement of financial position but are reported in the 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 settlement is greater than remote.

| | 2024 \$'000 | 2023 \$'000 |
|---|----------------|----------------|
| 6B. Categories of financial instruments | | |
| Financial assets | | |
| Financial assets at amortised cost | | |
| Cash and cash equivalents | 400 | 412 |
| Trade and other receivables - goods and services | 182 | 98 |
| Total financial assets at amortised cost | 582 | 510 |
| Total financial assets | 582 | 510 |
| Financial liabilities | | |
| Financial liabilities measured at amortised cost | | |
| Payables – suppliers | 623 | 719 |
| Total financial liabilities measured at amortised cost | 623 | 719 |
| Total financial liabilities | 623 | 719 |

Accounting policy

Financial assets

The Commission classifies its financial assets in the following categories:

- a. financial assets at fair value through profit or loss
- b. financial assets at fair value through other comprehensive income
- c. financial assets measured at amortised cost.

The classification depends on both the Commission's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when the Commission becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

The Commission currently only has financial assets at amortised cost.

Notes to and forming part of the financial statements

Accounting policy (continued)

Financial assets at amortised cost

Financial assets included in this category need to meet two criteria:

1. the financial asset is held in order to collect the contractual cash flows, and
2. the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

Effective interest method

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

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 which measures the loss allowance 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, contract and lease receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a derecognition event where the write-off directly reduces the gross carrying amount of the financial asset.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

The Commission currently only has financial liabilities at amortised cost.

Financial liabilities at amortised cost

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with the interest expense recognised on an effective interest basis.

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).

Notes to and forming part of the financial statements

| | 2024 \$'000 | 2023 \$'000 |
|---|----------------|----------------|
| 6C: Current/non-current distinction for assets and liabilities | | |
| Assets expected to be recovered in: | | |
| No more than 12 months | | |
| Cash and cash equivalents | 400 | 412 |
| Appropriation receivables | 36,493 | 40,923 |
| Trade and other receivables | 290 | 171 |
| Prepayments | 445 | 414 |
| Total no more than 12 months | 37,628 | 41,920 |
| More than 12 months | | |
| Buildings | 13,144 | 15,861 |
| Plant and equipment | 1,268 | 736 |
| Total more than 12 months | 14,412 | 16,597 |
| Total assets | 52,040 | 58,517 |
| Liabilities expected to be settled in: | | |
| No more than 12 months | | |
| Suppliers | 623 | 719 |
| Employee payables | 850 | 816 |
| Employee provisions | 2,687 | 2,707 |
| Leases | 2,257 | 2,132 |
| Total no more than 12 months | 6,417 | 6,374 |
| More than 12 months | | |
| Employee provisions | 6,653 | 6,759 |
| Leases | 9,364 | 11,621 |
| Total more than 12 months | 16,017 | 18,380 |
| Total liabilities | 22,434 | 24,754 |

Appendix

Executive remuneration

Table 13 – Key management personnel, 2023-24

| Name | Position | Term as KMP |
|---------------------|--|---------------------------|
| Danielle Wood | Chair | 13 Nov 2023 – 30 Jun 2024 |
| Michael Brennan | Chair | 1 Jul 2023 – 10 Sep 2023 |
| Alex Robson | Deputy Chair | 1 Jul 2023 – 30 Jun 2024 |
| Lisa Studdert | Head of Office | 1 Jul 2023 – 30 Jun 2024 |
| Rosalyn Bell | First Assistant Commissioner | 1 Jul 2023 – 30 Jun 2024 |
| Anna Heaney | First Assistant Commissioner | 1 Jul 2023 – 30 Jun 2024 |
| Jane Holmes | Assistant Commissioner, Corporate (CFO) | 1 Jul 2023 – 30 Jun 2024 |
| Elizabeth Callaghan | Assistant Commissioner, Strategic Communication and Engagement | 1 Jul 2023 – 30 Jun 2024 |

Table 14 – Key management personnel remuneration (as reported in the Notes to the Financial Statements)

| Benefit type | \$'000 |
|---|--------------|
| Short-term employee benefits | 2,440 |
| Post-employment benefits | 349 |
| Other long-term employee benefits | 61 |
| Total key management personnel remuneration expenses | 2,850 |

Table 15 – Information about remuneration for key management personnel

| Name | Position title | Short-term benefits | | | Post-employment benefits | Other long-term benefits | | | Total remuneration |
|---------------------|--|---------------------|---------|-------------------------------|------------------------------|--------------------------|--------------------------|----------------------|--------------------|
| | | Base salary | Bonuses | Other benefits and allowances | Superannuation contributions | Long service leave | Other long-term benefits | Termination benefits | |
| Danielle Wood | Chair | \$359,235 | \$0 | \$4,225 | \$54,480 | \$8,942 | \$0 | \$0 | \$426,852 |
| Michael Brennan | Chair | \$84,736 | \$0 | \$0 | \$4,645 | \$2,890 | \$0 | \$0 | \$92,271 |
| Alex Robson | Deputy Chair | \$538,711 | \$0 | \$0 | \$27,456 | \$11,161 | \$0 | \$0 | \$577,328 |
| Lisa Studdert | Head of Office | \$423,995 | \$0 | \$1,754 | \$79,254 | \$10,803 | \$0 | \$0 | \$515,806 |
| Rosalyn Bell | First Assistant Commissioner | \$284,273 | \$0 | \$6,061 | \$51,264 | \$7,382 | \$0 | \$0 | \$348,980 |
| Anna Heaney | First Assistant Commissioner | \$274,317 | \$0 | \$2,304 | \$54,206 | \$7,382 | \$0 | \$0 | \$338,209 |
| Jane Holmes | Assistant Commissioner, Corporate (CFO) | \$227,089 | \$0 | \$5,288 | \$40,968 | \$5,828 | \$0 | \$0 | \$279,173 |
| Elizabeth Callaghan | Assistant Commissioner, Strategic Communication and Engagement | \$247,978 | \$0 | \$0 | \$37,076 | \$6,114 | \$0 | \$0 | \$291,168 |

Note: Base salary includes annual leave provision movement (accrued annual leave less any leave paid during the year).

Table 16 – Information about remuneration for Senior Executives and Commissioners

| Total remuneration bands | Number of senior executives | Short-term benefits | | | Post-employment benefits | Other long-term benefits | Termination benefits | Total remuneration |
|--------------------------|-----------------------------|---------------------|-----------------|---------------------------------------|--------------------------------------|----------------------------|----------------------------------|------------------------------|
| | | Average base salary | Average bonuses | Average other benefits and allowances | Average superannuation contributions | Average long service leave | Average other long-term benefits | Average termination benefits |
| \$0 – \$220,000 | 15 | \$116,296 | \$0 | \$0 | \$21,942 | \$4,558 | \$0 | \$142,796 |
| \$220,001 – \$245,000 | 1 | \$192,567 | \$0 | \$1,437 | \$42,332 | \$5,393 | \$0 | \$241,729 |
| \$245,001 – \$270,000 | 2 | \$216,104 | \$0 | \$0 | \$39,429 | \$5,502 | \$0 | \$261,035 |
| \$270,001 – \$295,000 | 2 | \$236,499 | \$0 | \$0 | \$31,941 | \$7,392 | \$0 | \$275,831 |
| \$295,001 – \$320,000 | 1 | \$243,288 | \$0 | \$1,496 | \$47,545 | \$6,097 | \$0 | \$298,427 |
| \$320,001 – \$345,000 | 0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| \$345,001 – \$370,000 | 1 | \$310,986 | \$0 | \$0 | \$47,584 | \$8,845 | \$0 | \$367,416 |
| \$370,001 – \$395,000 | 1 | \$323,731 | \$0 | \$0 | \$48,194 | \$8,845 | \$0 | \$380,770 |
| \$395,001 – \$420,000 | 0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| \$420,001 – \$445,000 | 3 | \$384,279 | \$0 | \$0 | \$39,144 | \$9,079 | \$0 | \$432,501 |
| \$445,001 – \$470,000 | 3 | \$381,305 | \$0 | \$0 | \$58,174 | \$8,845 | \$0 | \$448,324 |
| \$470,001 – \$495,000 | 0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| \$495,001- | 0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

Note: 'Number of senior executives' includes Senior Executives and Commissioners during the year, excluding key management personnel. Base salary includes annual leave provision movement (accrued annual leave less any leave paid during the year).

The PC did not pay remuneration for any 'other highly paid staff' during 2023-24.

Accountable authority

Table 17 – Details of accountable authority during 2023-24

| Name | Position | Start date | End date |
|--------------------|----------|-------------|-------------|
| Ms Danielle Wood | Chair | 13 Nov 2023 | 30 Jun 2024 |
| Mr Michael Brennan | Chair | 1 Jul 2023 | 10 Sep 2023 |

Resource statement

Table 18 – Entity resource statement 2023-24

| | Actual available appropriation – current year | Payments made | Balance remaining |
|--|--|------------------|----------------------|
| | \$'000 | \$'000 | \$'000 |
| Departmental | (a) | (b) | (a)-(b) |
| Annual appropriations – ordinary annual services | 39,440 | 43,882 | (4,442) |
| Prior year appropriations available – ordinary annual services | 41,649 | - | 41,649 |
| Total departmental annual appropriations | 81,089 | 43,882 | 37,207 |
| Total departmental resourcing | 81,089 | 43,882 | 37,207 |
| Total resourcing and payments for entity | 81,089 | 43,882 | 37,207 |

Human Resources

Table 19 – All ongoing employees, current reporting period (2023-24)

| | Man/Male | | Woman/Female | | | Non-Binary | | | Prefers not to answer | | | Uses a different term | | | Total | |
|--------------|-----------|-----------|--------------|-----------|-----------|------------|-----------|-----------|-----------------------|-----------|-----------|-----------------------|----------|----------|----------|------------|
| | Full-time | Part-time | Total | Full-time | Part-time | Total | Full-time | Part-time | Total | Full-time | Part-time | Total | | | | |
| NSW | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| QLD | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| SA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TAS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| VIC | 54 | 3 | 57 | 47 | 17 | 64 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 121 |
| WA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ACT | 28 | 1 | 29 | 31 | 9 | 40 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 69 |
| NT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| External | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 82 | 4 | 86 | 78 | 26 | 104 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 190 |

Note: As at June 30 2024.

Table 20 – All non-ongoing employees, current reporting period (2023-24)

| | Man/Male | | Woman/Female | | | Non-Binary | | | Prefers not to answer | | | Uses a different term | | | Total | |
|--------------|-----------|-----------|--------------|-----------|-----------|------------|-----------|-----------|-----------------------|-----------|-----------|-----------------------|-----------|-----------|----------|----------|
| | Full-time | Part-time | Total | Full-time | Part-time | Total | Full-time | Part-time | Total | Full-time | Part-time | Total | Full-time | Part-time | | Total |
| NSW | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| QLD | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| SA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TAS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| VIC | 2 | 1 | 3 | 0 | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5 |
| WA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ACT | 1 | 1 | 2 | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 |
| NT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| External | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 3 | 2 | 5 | 1 | 2 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 8 |

Note: As at June 30 2024.

Table 21 – All ongoing employees, previous reporting period (2022-23)

| | Man/Male | | Woman/Female | | | Non-Binary | | | Prefers not to answer | | | Uses a different term | | | Total | |
|--------------|-----------|-----------|--------------|-----------|-----------|------------|-----------|-----------|-----------------------|-----------|-----------|-----------------------|----------|----------|----------|------------|
| | Full-time | Part-time | Total | Full-time | Part-time | Total | Full-time | Part-time | Total | Full-time | Part-time | Total | | | | |
| NSW | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| QLD | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| SA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TAS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| VIC | 42 | 9 | 51 | 44 | 19 | 63 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 114 |
| WA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ACT | 21 | 2 | 23 | 31 | 7 | 38 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 61 |
| NT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| External | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 63 | 11 | 74 | 75 | 26 | 101 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 175 |

Note: As at June 30 2023.

Table 22 – All non-ongoing employees, previous reporting period (2022-23)

| | Man/Male | | Woman/Female | | | Non-Binary | | | Prefers not to answer | | | Uses a different term | | | Total | |
|--------------|-----------|-----------|--------------|-----------|-----------|------------|-----------|-----------|-----------------------|-----------|-----------|-----------------------|----------|----------|----------|-----------|
| | Full-time | Part-time | Total | Full-time | Part-time | Total | Full-time | Part-time | Total | Full-time | Part-time | Total | | | | |
| NSW | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| QLD | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| SA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TAS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| VIC | 2 | 2 | 4 | 6 | 3 | 9 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 13 |
| WA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ACT | 1 | 0 | 1 | 2 | 1 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 |
| NT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| External | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 3 | 2 | 5 | 8 | 4 | 12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 17 |

Note: As at June 30 2023.

Table 23 – Australian Public Service Act ongoing employees, current reporting period (2023-24)

| | Man/Male | | Woman/Female | | | Non-Binary | | | Prefers not to answer | | | Uses a different term | | | Total | |
|--------------|-----------|-----------|--------------|-----------|-----------|------------|-----------|-----------|-----------------------|-----------|-----------|-----------------------|-----------|-----------|----------|------------|
| | Full-time | Part-time | Total | Full-time | Part-time | Total | Full-time | Part-time | Total | Full-time | Part-time | Total | Full-time | Part-time | | Total |
| SES 3 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| SES 2 | 0 | 0 | 0 | 2 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| SES 1 | 4 | 0 | 4 | 6 | 4 | 10 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 14 |
| EL 2 | 24 | 1 | 25 | 18 | 4 | 22 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 47 |
| EL 1 | 16 | 0 | 16 | 17 | 7 | 24 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 40 |
| APS 6 | 18 | 3 | 21 | 19 | 6 | 25 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 46 |
| APS 5 | 9 | 0 | 9 | 9 | 2 | 11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 20 |
| APS 4 | 11 | 0 | 11 | 6 | 1 | 7 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 18 |
| APS 3 | 0 | 0 | 0 | 0 | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| APS 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| APS 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 82 | 4 | 86 | 78 | 26 | 104 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 190 |

Note: As at June 30 2024.

Table 24 – Australian Public Service Act non-ongoing employees, current reporting period (2023-24)

| | Man/Male | | Woman/Female | | | Non-Binary | | | Prefers not to answer | | | Uses a different term | | | Total | |
|--------------|-----------|-----------|--------------|-----------|-----------|------------|-----------|-----------|-----------------------|-----------|-----------|-----------------------|-----------|-----------|----------|----------|
| | Full-time | Part-time | Total | Full-time | Part-time | Total | Full-time | Part-time | Total | Full-time | Part-time | Total | Full-time | Part-time | | Total |
| SES 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| SES 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| SES 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| EL 2 | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| EL 1 | 0 | 1 | 1 | 0 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| APS 6 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| APS 5 | 1 | 1 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| APS 4 | 1 | 0 | 1 | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| APS 3 | 0 | 0 | 0 | 0 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| APS 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| APS 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 3 | 2 | 5 | 1 | 2 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 8 |

Note: As at June 30 2024.

Table 25 – Australian Public Service Act ongoing employees, previous reporting period (2022-23)

| | Man/Male | | Woman/Female | | | Non-Binary | | | Prefers not to answer | | | Uses a different term | | | Total | |
|--------------|-----------|-----------|--------------|-----------|-----------|------------|-----------|-----------|-----------------------|-----------|-----------|-----------------------|-----------|-----------|----------|------------|
| | Full-time | Part-time | Total | Full-time | Part-time | Total | Full-time | Part-time | Total | Full-time | Part-time | Total | Full-time | Part-time | | Total |
| SES 3 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| SES 2 | 1 | 0 | 1 | 2 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 |
| SES 1 | 4 | 0 | 4 | 8 | 3 | 11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 15 |
| EL 2 | 16 | 5 | 21 | 17 | 6 | 23 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 44 |
| EL 1 | 11 | 2 | 13 | 19 | 6 | 25 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 38 |
| APS 6 | 15 | 3 | 18 | 11 | 5 | 16 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 34 |
| APS 5 | 10 | 1 | 11 | 11 | 3 | 14 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 25 |
| APS 4 | 6 | 0 | 6 | 6 | 1 | 7 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 13 |
| APS 3 | 0 | 0 | 0 | 0 | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| APS 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| APS 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 63 | 11 | 74 | 75 | 26 | 101 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 175 |

Note: As at June 30 2023.

Table 26 – Australian Public Service Act non-ongoing employees, previous reporting period (2022-23)

| | Man/Male | | Woman/Female | | | Non-Binary | | | Prefers not to answer | | | Uses a different term | | | Total | |
|--------------|-----------|-----------|--------------|-----------|-----------|------------|-----------|-----------|-----------------------|-----------|-----------|-----------------------|-----------|-----------|----------|-----------|
| | Full-time | Part-time | Total | Full-time | Part-time | Total | Full-time | Part-time | Total | Full-time | Part-time | Total | Full-time | Part-time | | Total |
| SES 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| SES 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| SES 1 | 0 | 0 | 0 | 0 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| EL 2 | 1 | 1 | 2 | 2 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 |
| EL 1 | 1 | 1 | 2 | 1 | 1 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 |
| APS 6 | 0 | 0 | 0 | 3 | 1 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 |
| APS 5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| APS 4 | 1 | 0 | 1 | 2 | 1 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 |
| APS 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| APS 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| APS 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 3 | 2 | 5 | 8 | 4 | 12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 17 |

Note: As at June 30 2023.

Table 27 – Australian Public Service Act employees by full-time and part-time status, current reporting period (2023-24)

| | Ongoing | | Non-ongoing | | | Total |
|--------------|------------|-----------|-------------|-----------|-----------|------------|
| | Full-time | Part-time | Total | Full-time | Part-time | |
| SES 3 | 1 | 0 | 1 | 0 | 0 | 1 |
| SES 2 | 2 | 0 | 2 | 0 | 0 | 2 |
| SES 1 | 10 | 4 | 14 | 0 | 0 | 14 |
| EL 2 | 42 | 5 | 47 | 1 | 0 | 48 |
| EL 1 | 33 | 7 | 40 | 0 | 2 | 42 |
| APS 6 | 37 | 9 | 46 | 0 | 0 | 46 |
| APS 5 | 18 | 2 | 20 | 1 | 1 | 22 |
| APS 4 | 17 | 1 | 18 | 2 | 0 | 20 |
| APS 3 | 0 | 2 | 2 | 0 | 1 | 3 |
| APS 2 | 0 | 0 | 0 | 0 | 0 | 0 |
| APS 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 160 | 30 | 190 | 4 | 4 | 198 |

Note: As at June 30 2024.

Table 28 – Australian Public Service Act employees by full-time and part-time status, previous reporting period (2022-23)

| | Ongoing | | Non-ongoing | | | Total |
|--------------|------------|-----------|-------------|-----------|-----------|------------|
| | Full-time | Part-time | Total | Full-time | Part-time | |
| SES 3 | 1 | 0 | 1 | 0 | 0 | 1 |
| SES 2 | 3 | 0 | 3 | 0 | 0 | 3 |
| SES 1 | 12 | 3 | 15 | 0 | 1 | 16 |
| EL 2 | 33 | 11 | 44 | 3 | 1 | 48 |
| EL 1 | 30 | 8 | 38 | 2 | 2 | 42 |
| APS 6 | 25 | 9 | 34 | 3 | 1 | 38 |
| APS 5 | 21 | 4 | 25 | 0 | 0 | 25 |
| APS 4 | 12 | 1 | 13 | 3 | 1 | 17 |
| APS 3 | 0 | 2 | 2 | 0 | 0 | 2 |
| APS 2 | 0 | 0 | 0 | 0 | 0 | 0 |
| APS 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 137 | 38 | 175 | 11 | 6 | 192 |

Note: As at June 30 2023.

Table 29 – Australian Public Service Act employment type by location, current reporting period (2023-24)

| | On-going | Non-ongoing | Total |
|--------------|------------|-------------|------------|
| NSW | 0 | 0 | 0 |
| QLD | 0 | 0 | 0 |
| SA | 0 | 0 | 0 |
| TAS | 0 | 0 | 0 |
| VIC | 121 | 5 | 126 |
| WA | 0 | 0 | 0 |
| ACT | 69 | 3 | 72 |
| NT | 0 | 0 | 0 |
| External | 0 | 0 | 0 |
| Overseas | 0 | 0 | 0 |
| Total | 190 | 8 | 198 |

Note: As at June 30 2024.

Table 30 – Australian Public Service Act employment type by location, previous reporting period (2022-23)

| | On-going | Non-ongoing | Total |
|--------------|------------|-------------|------------|
| NSW | 0 | 0 | 0 |
| QLD | 0 | 0 | 0 |
| SA | 0 | 0 | 0 |
| TAS | 0 | 0 | 0 |
| VIC | 114 | 13 | 127 |
| WA | 0 | 0 | 0 |
| ACT | 61 | 4 | 65 |
| NT | 0 | 0 | 0 |
| External | 0 | 0 | 0 |
| Overseas | 0 | 0 | 0 |
| Total | 175 | 17 | 192 |

Note: As at June 30 2023.

Table 31 – Australian Public Service Act Indigenous employment

| | Current reporting period (2023-24) | Previous reporting period (2022-23) |
|--------------|------------------------------------|-------------------------------------|
| Ongoing | 3 | 4 |
| Non-ongoing | 1 | 0 |
| Total | 4 | 4 |

Note: As at June 30 2024.

Table 32 – Australian Public Service Act employment arrangements, current reporting period (2023-24)

| Arrangement title | SES | Non-SES | Total |
|-------------------------------------|-----------|------------|------------|
| S.24 Determinations | 16 | 0 | 16 |
| Individual Flexibility Arrangements | 0 | 9 | 9 |
| Enterprise Agreement | 0 | 182 | 182 |
| Total (excludes IFA) | 16 | 182 | 198 |

Note: As at June 30 2024.

Table 33 – Australian Public Service Act employment salary ranges by classification level (minimum/maximum), current reporting period (2023-24)

| | Minimum salary | Maximum salary |
|-----------------------|----------------|----------------|
| SES 3 | \$432,120 | \$432,120 |
| SES 2 | \$295,299 | \$295,299 |
| SES 1 | \$224,357 | \$254,548 |
| EL 2 | \$134,764 | \$188,453 |
| EL 1 | \$111,146 | \$140,752 |
| APS 6 | \$90,199 | \$119,851 |
| APS 5 | \$80,537 | \$93,588 |
| APS 4 | \$71,874 | \$87,746 |
| APS 3 | \$63,740 | \$77,865 |
| APS 2 | \$56,774 | \$64,387 |
| APS 1 | \$52,000 | \$55,120 |
| Other | \$0 | \$0 |
| Minimum/maximum range | \$52,000 | \$432,120 |

Note: As at June 30 2024.

Table 34 – Australian Public Service Act employment performance pay by classification level, current reporting period (2023-24)

| | Number of employees | Aggregated of all payments made | Average of all (sum total) payments made | Minimum payment made to employees | Maximum payment made to employees | Number of employees |
|--------------|---------------------|---------------------------------|--|-----------------------------------|-----------------------------------|---------------------|
| SES 3 | 0 | \$0 | \$0 | \$0 | \$0 | 0 |
| SES 2 | 0 | \$0 | \$0 | \$0 | \$0 | 0 |
| SES 1 | 0 | \$0 | \$0 | \$0 | \$0 | 0 |
| EL 2 | 0 | \$0 | \$0 | \$0 | \$0 | 0 |
| EL 1 | 0 | \$0 | \$0 | \$0 | \$0 | 0 |
| APS 6 | 0 | \$0 | \$0 | \$0 | \$0 | 0 |
| APS 5 | 0 | \$0 | \$0 | \$0 | \$0 | 0 |
| APS 4 | 0 | \$0 | \$0 | \$0 | \$0 | 0 |
| APS 3 | 0 | \$0 | \$0 | \$0 | \$0 | 0 |
| APS 2 | 0 | \$0 | \$0 | \$0 | \$0 | 0 |
| APS 1 | 0 | \$0 | \$0 | \$0 | \$0 | 0 |
| Other | 0 | \$0 | \$0 | \$0 | \$0 | 0 |
| Total | 0 | \$0 | \$0 | \$0 | \$0 | 0 |

Note: As at June 30 2024.

Corrections to previous annual report

There were two errors that appeared on page 55 of the PC's *Annual Report 2022-23* in 'Note 3A: Appropriations' of the financial statements.

In 2023, the total departmental annual appropriation was incorrectly reported as \$387,252. This total should be \$38,252. The total appropriation of ordinary annual services was also incorrectly reported as \$38,022. This total should be \$39,022.

Indexes

Annual reporting requirements and aids to access

Information contained in this annual report is provided in accordance with Schedule 2 Part 4 of the *Work Health and Safety Act 2011*, section 46 of the *Public Governance, Performance and Accountability Act 2013* and Part II of the *Freedom of Information Act 1982*.

The entire report is provided in accordance with section 10 of the PC Act. The annual report has also been prepared in accordance with parliamentary requirements for departmental annual reports issued by the Department of Finance. A compliance index is provided in the Indexes.

The contact officer for enquiries or comments concerning this report is:

Assistant Commissioner, Corporate
Productivity Commission
Locked Bag 2, Collins Street East Post Office
MELBOURNE VIC 8003
Telephone: (03) 9653 2251

This annual report can be found at www.pc.gov.au/about/governance/annual-reports. Enquiries about any PC publication can be made to:

Assistant Commissioner, Strategic Communications and Engagement
Productivity Commission
GPO Box 1428
CANBERRA CITY ACT 2601
Telephone: (03) 9653 2244
Email: communications@pc.gov.au

Table 35 – Aids to access details, current reporting period 2023-24

| | |
|---|--|
| Annual Report contact officer (title/position held) | Assistant Commissioner, Corporate |
| Contact phone number | (03) 9653 2100 |
| Contact email | publications@pc.gov.au |
| Entity website (URL) | www.pc.gov.au |

List of requirements – non-corporate Commonwealth entities

| PGPA rule reference | Part of report | Description | Requirement |
|---------------------|--|--|-----------------------------------|
| 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 Act and any enabling legislation that specifies additional requirements in relation to the annual report. | Mandatory |
| 17AD(h) | Aids to access | | |
| 17AJ(a) | | Table of contents (print only). | Mandatory |
| 17AJ(b) | | Alphabetical index (print only). | Mandatory |
| 17AJ(c) | | Glossary of abbreviations and acronyms. | Mandatory |
| 17AJ(d) | | List of requirements. | Mandatory |
| 17AJ(e) | | Details of contact officer. | Mandatory |
| 17AJ(f) | | Entity's website address. | Mandatory |
| 17AJ(g) | | Electronic address of report. | Mandatory |
| 17AD(a) | Review by accountable authority | | |
| 17AD(a) | | A review by the accountable authority of the entity. | Mandatory |
| 17AD(b) | Overview of the entity | | |
| 17AE(1)(a)(i) | | A description of the role and functions of the entity. | Mandatory |
| 17AE(1)(a)(ii) | | A description of the organisational structure of the entity. | Mandatory |
| 17AE(1)(a)(iii) | | A description of the outcomes and programmes administered by the entity. | Mandatory |
| 17AE(1)(a)(iv) | | A description of the purposes of the entity as included in corporate plan. | Mandatory |
| 17AE(1)(aa)(i) | | Name of the accountable authority or each member of the accountable authority. | Mandatory |
| 17AE(1)(aa)(ii) | | Position title of the accountable authority or each member of the accountable authority. | Mandatory |
| 17AE(1)(aa)(iii) | | Period as the accountable authority or member of the accountable authority within the reporting period. | Mandatory |
| 17AE(1)(b) | | An outline of the structure of the portfolio of the entity. | Portfolio departments - mandatory |
| 17AE(2) | | Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change. | If applicable, Mandatory |

| PGPA rule reference | Part of report | Description | Requirement |
|----------------------------|--|---|-----------------------------|
| 17AD(c) | Report on the performance of the entity | | |
| | <i>Annual performance statements</i> | | |
| 17AD(c)(i); 16F | | Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule. | Mandatory |
| 17AD(c)(ii) | Report on financial performance | | |
| 17AF(1)(a) | | A discussion and analysis of the entity's financial performance. | Mandatory |
| 17AF(1)(b) | | A table summarising the total resources and total payments of the entity. | Mandatory |
| 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 |
| 17AD(d) | Management and accountability | | |
| | <i>Corporate governance</i> | | |
| 17AG(2)(a) | | Information on compliance with section 10 (fraud systems). | Mandatory |
| 17AG(2)(b)(i) | | A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared. | Mandatory |
| 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 that meet the specific needs of the entity are in place. | Mandatory |
| 17AG(2)(b)(iii) | | A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity. | Mandatory |
| 17AG(2)(c) | | An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance. | Mandatory |
| 17AG(2)(d) - (e) | | A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with Finance law and action taken to remedy non-compliance. | If applicable, mandatory |
| | <i>Audit Committee</i> | | |
| 17AG(2A)(a) | | A direct electronic address of the charter determining the functions of the entity's audit committee. | Mandatory |
| 17AG(2A)(b) | | The name of each member of the entity's audit committee. | Mandatory |
| 17AG(2A)(c) | | The qualifications, knowledge, skills or experience of each member of the entity's audit committee. | Mandatory |

| PGPA rule reference | Part of report | Description | Requirement |
|--------------------------------------|----------------|---|--------------------------|
| 17AG(2A)(d) | | Information about the attendance of each member of the entity's audit committee at committee meetings. | Mandatory |
| 17AG(2A)(e) | | The remuneration of each member of the entity's audit committee. | Mandatory |
| <i>External scrutiny</i> | | | |
| 17AG(3) | | Information on the most significant developments in external scrutiny and the entity's response to the scrutiny. | Mandatory |
| 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 |
| 17AG(3)(b) | | Information on any reports on operations of the entity by the Auditor General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman. | If applicable, mandatory |
| 17AG(3)(c) | | Information on any capability reviews on the entity that were released during the period. | If applicable, mandatory |
| <i>Management of human resources</i> | | | |
| 17AG(4)(a) | | An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives. | Mandatory |
| 17AG(4)(aa) | | Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: a) statistics on full-time employees b) statistics on part-time employees c) statistics on gender d) statistics on staff location. | Mandatory |
| 17AG(4)(b) | | Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following: <ul style="list-style-type: none">• statistics on staffing classification level• statistics on full-time employees• statistics on part-time employees• statistics on gender• statistics on staff location• statistics on employees who identify as Indigenous. | Mandatory |
| 17AG(4)(c) | | Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i> . | Mandatory |
| 17AG(4)(c)(i) | | Information on the number of SES and non-SES employees covered by agreements etc identified in paragraph 17AG(4)(c). | Mandatory |
| 17AG(4)(c)(ii) | | The salary ranges available for APS employees by classification level. | Mandatory |
| 17AG(4)(c)(iii) | | A description of non-salary benefits provided to employees. | Mandatory |

| PGPA rule reference | Part of report | Description | Requirement |
|---|----------------|---|--------------------------|
| 17AG(4)(d)(i) | | Information on the number of employees at each classification level who received performance pay. | If applicable, mandatory |
| 17AG(4)(d)(ii) | | Information on aggregate amounts of performance pay at each classification level. | If applicable, mandatory |
| 17AG(4)(d)(iii) | | Information on the average amount of performance payment, and range of such payments, at each classification level. | If applicable, mandatory |
| 17AG(4)(d)(iv) | | Information on aggregate amount of performance payments. | If applicable, Mandatory |
| <i>Assets management</i> | | | |
| 17AG(5) | | An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities. | If applicable, mandatory |
| <i>Purchasing</i> | | | |
| 17AG(6) | | An assessment of entity performance against the <i>Commonwealth Procurement Rules</i> . | Mandatory |
| <i>Reportable consultancy contracts</i> | | | |
| 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 |
| 17AG(7)(b) | | A statement that " <i>During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$[specified million]</i> ". | Mandatory |
| 17AG(7)(c) | | A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged. | Mandatory |
| 17AG(7)(d) | | A statement that " <i>Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.</i> " | Mandatory |

| PGPA rule reference | Part of report | Description | Requirement |
|--|--|--|--------------------------|
| <i>Reportable non-consultancy contracts</i> | | | |
| 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 |
| 17AG(7A)(b) | | A statement that <i>“Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.”</i> | Mandatory |
| 17AD(daa) | Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts | | |
| 17AGA | | Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts. | Mandatory |
| <i>Australian National Audit Office access clauses</i> | | | |
| 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 |
| <i>Exempt contracts</i> | | | |
| 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 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 |
| <i>Small business</i> | | | |
| 17AG(10)(a) | | A statement that <i>“[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance’s website.”</i> | Mandatory |
| 17AG(10)(b) | | An outline of the ways in which the procurement practices of the entity support small and medium enterprises. | Mandatory |

| PGPA rule reference | Part of report | Description | Requirement |
|-------------------------------|------------------------------------|--|--------------------------|
| 17AG(10)(c) | | 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 |
| <i>Financial statements</i> | | | |
| 17AD(e) | | Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act. | Mandatory |
| <i>Executive remuneration</i> | | | |
| 17AD(da) | | Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2 3 of the Rule. | Mandatory |
| 17AD(f) | Other mandatory information | | |
| 17AH(1)(a)(i) | | If the entity conducted advertising campaigns, a statement that “During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.” | If applicable, mandatory |
| 17AH(1)(a)(ii) | | If the entity did not conduct advertising campaigns, a statement to that effect. | If applicable, mandatory |
| 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 |
| 17AH(1)(c) | | Outline of mechanisms of disability reporting, including reference to website for further information. | Mandatory |
| 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 |
| 17AH(1)(e) | | Correction of material errors in previous annual report. | If applicable, mandatory |
| 17AH(2) | | Information required by other legislation. | Mandatory |

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Abbreviations

| Abbreviation | Definition |
|----------------|---|
| AGCNCO | Australian Government Competitive Neutrality Complaints Office |
| Agreement, the | <i>National Agreement on Closing the Gap</i> |
| AI | Artificial Intelligence |
| ANAO | Australian National Audit Office |
| ANZSOG | Australian and New Zealand School of Government |
| APS | Australian Public Service |
| APSC | Australian Public Service Commission |
| CFFR | Council on Federal Financial Relations |
| DT | Digital Technologies |
| EAP | Employee Assistance Program |
| ECEC | Early Childhood Education and Care |
| EL | Executive Level |
| ESD | Ecologically Sustainable Development |
| FOI Act | <i>Freedom of Information Act 1982</i> |
| GST | Goods and Service Tax |
| IMF | International Monetary Fund |
| HSC | Health and Safety Committee |
| NACC | National Anti-Corruption Council |
| NWI | National Water Initiative |
| OECD | Organisation for Economic Co-operation and Development |
| PC | Productivity Commission |
| PC Act | <i>Productivity Commission Act 1998</i> |
| PGPA Act | <i>Public Governance, Performance and Accountability Act 2013</i> |
| ROGS | Report on Government Services |

| Abbreviation | Definition |
|--------------|---|
| SES | Senior Executive Service |
| WHS | Work Health and Safety |
| WHSMS | Work Health and Safety Management Systems |