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## Part 2 Report on performance

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# Annual Performance Statements 2021–22

## Statement of Preparation

I, as the Accountable Authority of the Department of the Treasury, present the Annual Performance Statements 2021–22 as required under section 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

In my opinion, the Annual Performance Statements are based on properly maintained records, accurately reflect the performance of the Treasury and comply with section 39(2) of the PGPA Act.

In accordance with subsection 16F of the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule), these statements report on our performance in the year ended 30 June 2022, assessed against the purpose, key activities and performance measures relevant to the Treasury published in:

- The Department of the Treasury 2021–22 Corporate Plan (Corporate Plan 2021–22)
- 2021–22 Portfolio Budget Statements – The Department of the Treasury (PBS 2021–22)
- 2021–22 Portfolio Additional Estimates Statements – The Department of the Treasury



**Dr Steven Kennedy PSM**  
Secretary to the Treasury

4 October 2022

## Changes to activities and performance measures

Treasury has made amendments to performance information published in the Corporate Plan 2021–22. The amendments to the published performance measures are a non-significant variation and are summarised below. The performance measure statements provide more detail.



## Performance measure 1

### Percentage of feedback from Treasury ministers, key government entities and stakeholders that indicate our advice was impactful

<b>Performance measure 1</b>	Informal qualitative feedback mechanisms, reviews and evaluations were not used to assess performance in the 2021–22 reporting period. It was found that the varied data from these sources could not be quantified into percentages required to set a baseline in performance measure results. The methodology was revised and data sources focused on structured key stakeholder surveys and ministerial feedback questionnaires.
<b>Published methodology</b>	Assessment of formal and informal feedback mechanisms, reviews, evaluations, and key stakeholder surveys.
<b>Amended methodology</b>	Assessment of formal feedback mechanisms through the key stakeholder survey and ministerial feedback questionnaires.

## Performance measure 2

### Quality of engagements or consultations with stakeholders to inform policy advice and analysis

<b>Performance measure 2</b>	Treasury has removed the assessment of the number of engagements or consultations from the performance measure and focussed on the quality of Treasury's consultations and engagements. The records of and data on consultations and engagements have been removed from the methodology. This included public consultations on exposure draft legislation and initiatives conducted via Treasury's website and activities. The records and data were not reliable enough to develop an accurate performance result. Treasury is, instead, using the key stakeholder survey as the methodology and the survey results as a reliable data source for assessing quality.
<b>Published performance measure</b>	Number and quality of engagements or consultations with stakeholders to inform policy advice and analysis.
<b>Amended performance measure</b>	Quality of engagements or consultations with stakeholders to inform policy advice and analysis.
<b>Published methodology</b>	Assessment of engagement and consultation records, data, and stakeholder surveys.
<b>Amended methodology</b>	Assessment of engagement and consultation through stakeholder surveys.

## Performance measure 5

### Percentage of payments administered within agreed requirements and timeframes

**Performance measure 5**

Treasury is using the delivery of payments to the intended recipients within the required timeframes and, in accordance with relevant legislation and agreements, as an assessment of timeliness and a proxy efficiency measure. The decision to use this measure as the proxy efficiency measure occurred after publication of the Corporate Plan 2021–22.

## Performance measure 7

### Proportion of legislative measures committed for delivery at the beginning of a parliamentary sitting period, adjusted for any Government reprioritisation of legislative measures during the sitting period, and compared to the number actually delivered

<p><b>Performance measure 7</b></p>	<p>An amendment has been made to include the reprioritisation of legislative measures during the sitting period in response to Government priorities. Reprioritisation involves the removal and addition of legislative measures during the sitting periods under assessment. This amendment is necessary to reflect the dynamic nature of the legislative program in response to changing priorities of Government business. The inclusion of the reprioritised measures in the calculation provides an accurate result of what was agreed for delivery in the sitting period.</p>
<p><b>Published performance measure</b></p>	<p>Proportion of legislative measures committed for delivery at the beginning of a parliamentary sitting period compared to the number actually introduced.</p>
<p><b>Amended performance measure</b></p>	<p>Proportion of legislative measures committed for delivery at the beginning of a parliamentary sitting period, adjusted for any Government reprioritisation of legislative measures during the sitting period, and compared to the number actually delivered.</p>

## Activity 6 – Deliver measures focused on small businesses

### Performance measure 11

#### Number of small businesses assisted

<b>Performance measure 11</b>	Treasury amended Activity 6 to remove the wording and reduce the regulatory burden on business as the performance measure did not address that component of the activity. Treasury was not able to assess the regulatory burden on small businesses as outlined in the original Activity 6 during the 2021–22 reporting period. Performance measure 11 assesses the number of small businesses assisted and Treasury addressed regulation that applies to small business through policy advice to the Government.
<b>Published activity</b>	Deliver measures focused on small businesses and reduce the regulatory burden on business.
<b>Amended activity</b>	Deliver measures focused on small businesses.



## Treasury's purpose

We provide advice to the Government and implement policies and programs to achieve strong and sustainable economic and fiscal outcomes for Australians.

As set out in the Corporate Plan 2021–22, Treasury achieves our purpose through our activities:

- **Activity 1:** Provide informed, influential, and impactful policy advice and analysis
- **Activity 2:** Ensure effective government spending arrangements
- **Activity 3:** Deliver programs associated with the Government's economic priorities, including COVID-19 economic response programs
- **Activity 4:** Delivery of the Government's legislative agenda associated with the Treasury portfolio
- **Activity 5:** Administer Treasury's regulator functions
- **Activity 6:** Deliver measures focused on small businesses
- **Activity 7:** Deliver infrastructure and project financing advice and actuarial services.

## Treasury's outcome

Supporting and implementing informed decisions on policies for the good of the Australian people, including for achieving strong, sustainable economic growth, through the provision of advice to Treasury ministers and the efficient administration of Treasury's functions.



# Results and analysis

## Analysis of performance against Treasury's purpose

Treasury's annual performance statements report on the period from 1 July 2021 to 30 June 2022. The statements provide a clear read of Treasury's performance over the financial year against the activities and performance measures in the Corporate Plan 2021–22 and Portfolio Budget Statements (PBS) 2021–22. Treasury updated the performance measures in the PBS to align with the Corporate Plan through the Portfolio Additional Estimates Statements 2021–22.

In 2021–22, Treasury had 12 performance measures to assess performance against the 7 activities that were undertaken to achieve our purpose.

There were 8 performance measures that Treasury achieved, substantially achieved, or partly achieved. Performance measures 4, 6 and 7 were achieved. Performance measures 3, 5, 10, 11 and 12 were achieved, substantially achieved, or partly achieved.<sup>1</sup> Performance measures 8 and 9 were not achieved. Treasury has established baselines for future reporting of performance measures 1 and 2.

A summary of achievement against the activities and performance measures is provided on pages 28 to 30. A detailed assessment of achievement and analysis for individual performance measures is presented on pages 31 to 61.

The Corporate Plan 2021–22 included a revised purpose statement and new performance measures, targets, and methodologies for assessing performance. This meant performance results could not be compared with previous years or trends over time.

This has been a transitional year for Treasury as we have matured our performance framework. Treasury's mid-cycle performance review – in February and March 2022 – has informed the performance framework, methodologies and changes to the Corporate Plan 2021–22. Treasury's annual performance statements and performance framework are being audited as part of an Australian National Audit Office annual performance statements audit program.

In 2021–22, Treasury established the structured ministerial feedback questionnaire and stakeholder feedback survey as reliable methodologies for 7 of our performance measures. Treasury has used 2021–22 as a baseline year for measuring the impact of policy advice and analysis (performance measure 1) and the quality of our engagement and consultations (performance measure 2).

<sup>1</sup> Performance measures 3, 5, 8, 9, 10 and 12 have multiple components that were assessed individually. In the case of performance measures 5, 10 and 12, the subcomponents were assessed differently. Performance measure 5 and 12 had results of achieved and substantially achieved, and performance measure 10 had results of achieved and partially achieved.

## Part 2 – Report on performance

The results of the ministerial feedback questionnaire and stakeholder feedback survey have informed the targets for 2022–23 and the forward years in our Corporate Plan 2022–23.

Treasury has provided ongoing economic and fiscal advice to support the Government's response to the COVID-19 pandemic and rapid changes in the global economy. Treasury provided advice to portfolio ministers on a range of significant policy matters for the 2021–22 Mid-Year Economic and Fiscal Outlook and the 2022–23 March Budget.

Treasury provided policy advice on the overarching fiscal strategy and individual measures to ease the cost-of-living pressures on households and businesses. This included the temporary increase to the Low and Middle Income Tax Offset and a 6-month reduction in fuel excise. Treasury received positive responses in the feedback questionnaire completed by Treasury ministers or their chiefs of staff.

Consultation in preparation for the 2022–23 Budget was a key focus for Treasury. Stakeholder relationships are maintained with Treasury portfolio agencies; Commonwealth, state and territory government agencies; and representatives external to government, including industry peak bodies and businesses.

Treasury's engagement and consultation activities included: working with the Australian Taxation Office and a range of government stakeholders on the Tax Treaties Steering Committee; working with agencies across government, industry, and peak bodies on the impacts of COVID-19 and related restrictions. Treasury consulted on the impacts of bank branch closures and how Australians are accessing banking services in regional areas. There was a strong response to the 2021–22 stakeholder survey with Australian Government entities and key external stakeholders providing positive results on Treasury's engagements and consultations.

Treasury has continued to deliver programs associated with the Government's economic priorities during the reporting period. This includes the continuation of the HomeBuilder program and Open Banking through the Consumer Data Right. Treasury ministers or their chiefs of staff responded very positively in the feedback questionnaire on Treasury's program delivery.

Survey responses on Treasury's regulatory functions provided challenging feedback with 2 performance measures not achieved. There has been significant regulatory changes and reform in the foreign investment review framework over the past 2 years, which has resulted in a more challenging environment for stakeholders. In administering the foreign investment review framework, Treasury engaged with stakeholders to ensure understanding about the reforms and to strike the right balance between supporting investment and protecting the national interest. Treasury is actively working with government and other stakeholders to increase transparency and timeliness in relation of the foreign investment regulatory processes.

The *Payment Times Reporting Act 2020* commenced on 1 January 2022 following a 12-month transition period. The regulator of the scheme is relatively new. In the first year of operation the regulator received 16,801 reports from 8,885 large business and government enterprises.

There were positive results from stakeholders for both the foreign investment review framework and the Payment Times Reporting Scheme about the regulator's services, engagement and consultation. Treasury acknowledges there is more work to do in our regulator functions in response to our stakeholder's feedback.

During the reporting period, the Australian Government Actuary in Treasury provided specialist services and advice to Australian Government departments. Infrastructure and Commercial Advisory, formerly the Infrastructure and Project Financing Authority, advised on the commercial and financial aspects of Australian Government infrastructure priorities. The survey responses from clients of these specialist services indicated mostly favourable levels of satisfaction.

Treasury's forecasting on population, macroeconomics and revenue informed advice to the Government and provided a significant contribution to the 2022–23 Budget. Macroeconomic forecasting was informed by meetings with 44 business stakeholders in August 2021 ahead of the 2021–22 Mid-Year Economic and Fiscal Outlook and 17 organisations took part in the February 2022 business liaison round in preparation for the 2022–23 Budget.

The Government requires timely delivery of budget documents. Treasury prepared and released 4 budget documents within the required timeframes including the 2020–21 Final Budget Outcome (30 September 2021), the 2021–22 Mid-year Economic and Fiscal Outlook (16 December 2021), the 2022–23 Budget (29 March 2022) and the 2022 Pre-Election Economic and Fiscal Outlook (20 April 2022).

All transfers to international financial institutions were administered within requirements, timeframes, legislation and agreements. Payments were made to the Global Infrastructure Hub supporting the G20 infrastructure agenda. Treasury also administered payments under Commonwealth Grant Agreements. Payments were administered to states and territories in accordance with the Intergovernmental Agreement on Federal Financial Relations.

Treasury administered the Digital Solutions – Australian Small Business Advisory Services program. Advice and support in response to the impacts of COVID-19 were provided to 11,725 small businesses through the program.

The Treasury legislation program is a key mechanism for delivering the Government's priorities. The legislative program continued to be responsive and adapt to the Government's evolving priorities in 2021–22. Treasury delivered 94% of the legislative measures within the agreed sitting periods.

## Performance summary 2021–22

Key activity	Performance measure	2021–22 Target	Performance achieved
<b>Activity 1</b> Provide informed, influential, and impactful policy advice and analysis.	<b>Performance measure 1</b> Percentage of feedback from Treasury ministers, key government entities and stakeholders that indicate our advice was impactful.	Baseline established	<b>Baseline has been established at 80%</b> Treasury achieved an effectiveness result <sup>2</sup> of 95% from Treasury ministers or their chief of staff, and effectiveness result of 85% from key stakeholders.
	<b>Performance measure 2</b> Quality of engagements or consultations with stakeholders to inform policy advice and analysis.	Baseline established	<b>Baseline has been established at 70%</b> Treasury achieved an effectiveness result of 77% for the quality of engagement or consultation from stakeholders.
	<b>Performance measure 3</b> Forecasting activities are based on best practice and deliver outcomes that inform our economic policy advice.	Positive assessment and identified areas for improvement are actioned	Population forecasting <b>Substantially achieved</b> Macroeconomic forecasting <b>Substantially achieved</b> Revenue forecasting <b>Substantially achieved</b>

<sup>2</sup> The effectiveness result is survey respondents' rating of Treasury against set questions as an indicator of effectiveness. The performance result is calculated as an average of the percentage of survey respondents who provided ratings of 4 (agree) or 5 (strongly agree) on a 5-point scale for applicable question items.

Key activity	Performance measure	2021–22 Target	Performance achieved
<b>Activity 2</b> Ensure effective Government spending arrangements	<b>Performance measure 4</b> Delivered within the required timeframes in line with the <i>Charter of Budget Honesty Act 1998</i> .	100%	<b>Achieved</b>
	<b>Performance measure 5</b> Percentage of payments administered within agreed requirements and timeframes.	100%	Payments to International Financial Institutions <b>Achieved</b> Payments administered under Commonwealth Grant Agreements <b>Substantially achieved</b> Payments to the States under the <i>Intergovernmental Agreement on Federal Financial Relations</i> <b>Substantially achieved</b>
<b>Activity 3</b> Deliver programs associated with the Government's economic priorities, including COVID-19 economic response programs	<b>Performance measure 6</b> Treasury ministers confirm that our program delivery is timely and in line with the Government's economic priorities.	Delivery is aligned to Government priorities	Treasury's program delivery was aligned with Government priorities. <b>Achieved</b>
<b>Activity 4</b> Delivery of the Government's legislative agenda associated with the Treasury portfolio.	<b>Performance measure 7</b> Proportion of legislative measures committed for delivery at the beginning of a parliamentary sitting period, adjusted for any Government reprioritisation of legislative measures during the sitting period, and compared to the number actually delivered.	90%	<b>Achieved</b>

## Part 2 – Report on performance

Key activity	Performance measure	2021–22 Target	Performance achieved
<b>Activity 5</b> Administer Treasury's regulator functions.	<b>Performance measure 8</b> Percentage of key stakeholders agree that regulator activities are responsive to the environment and builds trust.	70%	Foreign Investment Review Framework <b>Not achieved</b> Payment Times Reporting Scheme <b>Not achieved</b>
	<b>Performance measure 9</b> Percentage of key stakeholders agree that regulatory activities are risk based and data driven.	70%	Foreign Investment Review Framework <b>Not achieved</b> Payment Times Reporting Scheme <b>Not achieved</b>
	<b>Performance measure 10</b> Percentage of key stakeholders who have a high level of satisfaction with regulator services, engagement and consultation.	70%	Foreign Investment Review Framework <b>Partially achieved</b> Payment Times Reporting Scheme <b>Achieved</b>
<b>Activity 6</b> Deliver measures focused on small businesses.	<b>Performance measure 11</b> Number of small businesses assisted.	17,000 <sup>3</sup>	<b>Partially achieved</b>
<b>Activity 7</b> Deliver infrastructure and project financing advice and actuarial services.	<b>Performance measure 12</b> Proportion of clients that are satisfied with the delivery of specialist services and advice.	80%	Australian Government Actuary <b>Achieved</b> Infrastructure and Project Financing Authority (known as the Infrastructure and Commercial Advisory) <b>Substantially achieved</b>

<sup>3</sup> Target involves additional funding allocated to support small businesses during the COVID-19 pandemic. The targets for future years are based on the standard funding allocation.



## Activity 1

### Provide informed, influential, and impactful policy advice and analysis

<b>Performance measure 1</b>	Percentage of feedback from Treasury ministers, key government entities and stakeholders that indicate our advice was impactful.
<b>Methodology</b>	Assessment of formal feedback mechanisms through the key stakeholder survey and ministerial feedback questionnaires.
<b>Target</b>	Baseline established. The baseline has been established at 80%.
<b>Data sources</b>	Feedback by Treasury ministers or their staff provided in the ministerial questionnaire results and key stakeholders <sup>4</sup> survey results.
<b>Source</b>	PBS Program 1.1 Corporate Plan 2021–22
<b>Performance achieved</b>	<b>Baseline has been established at 80%.</b> Treasury achieved an effectiveness result <sup>5</sup> of 95% from Treasury ministers or their chiefs of staff and 85% from key stakeholders.
<b>Analysis</b>	<p>Treasury has revised the methodology for this performance measure as published in the Corporate Plan 2021–22. Structured key stakeholder surveys and ministerial feedback questionnaires are now the data sources used to assess the impact of our advice. The survey and questionnaire are supported by a framework to accurately assess feedback from defined stakeholders. This is a more systematic approach to assessment, including assessment over time.</p> <p>The informal mechanisms, reviews and evaluations were removed from the methodology and are not used to assess performance for the 2021–22 reporting period. These data sources could not be quantified to present a consolidated result as performance results in the form of percentages are required to set a baseline.</p> <p>An external provider was engaged to develop the survey and ministerial questionnaire. The provider conducted and reported on the survey. Each ministerial interview was conducted by a Treasury Deputy Secretary. The external provider also attended as an objective observer and note taker.</p>

<sup>4</sup> Key stakeholders for this performance measure are Australian Government entities involved in the policy process. Key stakeholders do not include stakeholders external to government.

<sup>5</sup> The effectiveness result is survey respondents' rating of Treasury against set questions as an indicator of effectiveness. The performance result is calculated as an average of the percentage of survey respondents who provided ratings of 4 (agree) or 5 (strongly agree) on a 5-point scale for applicable question items.

### Analysis

The Corporate Plan 2021–22 indicated that Treasury will establish a baseline in 2021–22 with targets to be determined in forward years. Treasury has used the first year of stakeholder surveys and ministerial feedback questionnaire as a baseline year to inform setting an achievable target for 2022–23 and forward years. Treasury had not previously conducted a department-wide survey with stakeholders for the purpose of performance reporting so relevant data was not available to set a target.

Treasury has relied on the Australian government guidance *Corporate Plans for Commonwealth entities (RMG 132)* which requires that an entity be satisfied all targets are attainable and do not promote adverse results or perverse incentives. It was not reasonably practicable for Treasury to set a structured stakeholder survey-based target without the benefit of a baseline measure which was necessary to inform the setting of an appropriate level for the target. Without baseline measures, Treasury could not reasonably satisfy itself that its targets were attainable.

A baseline target for 2022–23 has been established using the performance results from the stakeholder survey and questionnaire results. A target of 80% has been established for 2022–23. This will progress to 85% for the forward years. As the survey matures the target will be reviewed against progressive survey results.

A total of 253 Australian Government entity stakeholders were invited to participate in the survey. All had substantial involvement<sup>6</sup> with Treasury engagements or consultations to inform policy advice and analysis. The survey had a response rate of 38%<sup>7</sup>. This response rate was considered high by the survey provider for an Australian Government stakeholder survey<sup>8</sup>. The survey achieved an effectiveness result of 85%.

The majority of Australian Government entity stakeholders rated Treasury's advice, analysis and forecasting activities as being impactful in supporting Australian Government decision-making: 60% agreed and 25% strongly agreed.

Treasury also used structured interviews with ministers or their chiefs of staff to complete a ministerial feedback questionnaire. Participating chiefs of staff provided feedback in consultation with their minister where ministers were not available.

<sup>6</sup> Substantially involved stakeholders are officials from the Department of Finance and Department of the Prime Minister and Cabinet or other Australian Government entities who are a position to provide an informed assessment of the quality of Treasury's policy advice and analysis.

<sup>7</sup> A response rate of 20% was established as a valid response for the survey.

<sup>8</sup> The Treasury survey was similar to a benchmarking group of 29 government agency stakeholder surveys (for both Commonwealth and State Government agencies) that the provider conducted between 2012 and 2021. Among this benchmarking group, response rates ranged from 15% to 43%, with an average of 28%.

## Analysis

The Minister for Superannuation, Financial Services and the Digital Economy participated in the interview in person. The Treasurer, Assistant Treasurer and Minister for Employment, Workforce, Skills, Small and Family Business were represented by their chiefs of staff. The Assistant Treasurer signed-off on their chief of staff's responses.

The ministerial interviews achieved a 100% response rate and an effectiveness result of 95%. Most of the responses agreed that Treasury's advice, analysis and forecasting activities supported Australian Government decision-making. Two-thirds (67%) 'strongly agreed' that Treasury has been impactful in supporting decision-making aimed at delivering a strong economy.

In line with Government priorities, Treasury provided quality advice to inform fiscal and economic policy outcomes. A range of significant policy matters were addressed through the 2021–22 Mid-Year Economic and Fiscal Outlook and the 2022–23 March Budget.

Treasury provided policy advice and analysis on the economic outlook, productivity, labour market, and impact of fiscal measures on the economy. Treasury's policy advice has supported Australia's COVID-19 response and recovery, and informed measures to support Australians with the cost of living.

Treasury's advice during 2021–22 included the establishment of a cyclone and related flood damage reinsurance pool to improve insurance affordability in cyclone-prone areas, and addressing tax challenges arising from the digitalisation of the economy.

Treasury contributed to policy that enhances the adequacy, sustainability, equity, and cohesion of the retirement income system. Treasury was involved in fostering improved governance in the financial system through impactful advice on retirement, investment and financial adviser regulation.

Given the relative importance of the Treasurer as the senior Treasury Minister, the survey ratings of the Treasurer's delegate have been given 3 times the weight of other ministers in calculating aggregate performance metrics. The Treasurer's responses therefore account for 50% of the aggregate performance result.

The operational rules in the Treasury Stakeholder Feedback Measurement Framework requires ministers to have been in office for a minimum of 90 days. This ensures a good understanding of Treasury's performance before participating in the ministerial questionnaire. These rules mean that the current Government's Treasury ministers were not interviewed.

## Part 2 – Report on performance

<b>Performance measure 2</b>	Quality of engagements or consultations with stakeholders to inform policy advice and analysis.
<b>Methodology</b>	Assessment of engagement and consultation through stakeholder surveys.
<b>Target</b>	Baseline established The baseline has been established at 70%.
<b>Data sources</b>	Feedback on Treasury's engagement and consultation activities with Australian Government entities, state and territory government entities and stakeholders provided in survey results.
<b>Source</b>	PBS Program 1.1 Corporate Plan 2021–22
<b>Performance achieved</b>	<b>Baseline has been established at 70%.</b> Treasury achieved an effectiveness result <sup>9</sup> of 77% for the quality of engagement or consultation from stakeholders.
<b>Analysis</b>	<p>Treasury has changed the performance measure as published in the Corporate Plan 2021–22 by removing the assessment of the number of engagements or consultations from the performance measure. The records and data of consultations and engagements have been removed from the methodology. This includes public consultations on exposure draft legislation and initiatives conducted via Treasury's website and activities. The records and data were not sufficiently reliable to develop an accurate performance result.</p> <p>Treasury has changed the methodology for this performance measure to use structured key stakeholder surveys as the methodology and the survey results as a reliable data source to assess quality. An external provider was engaged to develop the survey and reported on the survey results.</p> <p>The Corporate Plan 2021–22 indicated that Treasury will establish a baseline in 2021–22 with targets to be determined in forward years. Treasury has used the first year of stakeholder surveys as a baseline year to inform setting an achievable target for 2022–23 and forward years. Treasury had not previously conducted a department wide survey with stakeholders for the purpose of performance reporting and the relevant data was not available to set a target.</p>

<sup>9</sup> The effectiveness result is survey respondents' rating of Treasury against set questions as an indicator of effectiveness. The performance result is calculated as an average of the percentage of survey respondents who provided ratings of 4 (agree) or 5 (strongly agree) on a 5-point scale for applicable question items.

## Analysis

Treasury has relied on the Australian government guidance *Corporate Plans for Commonwealth entities (RMG 132)* which requires that an entity be satisfied all targets are attainable and do not promote adverse results or perverse incentives. It was not reasonably practicable for Treasury to set a structured stakeholder survey-based target without the benefit of a baseline measure which was necessary to inform the setting of an appropriate level for the target. Without baseline measures, Treasury could not reasonably satisfy itself that its targets were attainable.

A baseline target for 2022–23 has been established using the performance results from the stakeholder survey. A target of 70% has been established for 2022–23. This will progress to 75% for 2023–24 and 80% for the forward years. As the survey matures the targets will be reviewed against progressive survey results.

A total of 472 Australian Government entity and key external stakeholders who had substantial involvement<sup>10</sup> with Treasury engagements or consultations to inform policy advice and analysis participated in the key stakeholder survey. The survey had a response rate of 41% and achieved a result of 77% for the quality of engagement or consultation.

Key external stakeholders were generally positive about the quality of engagements with Treasury to inform policy advice and analysis. On average, around 3-quarters of stakeholders rated aspects of Treasury's engagement favourably.

Around 3-quarters (76%) of Australian Government entity stakeholders agreed that Treasury worked effectively with them to support the development of advice, analysis and forecasts.

Amongst all stakeholders (Australian Government entity and external stakeholders) who engaged with Treasury in relation to policy advice and analysis, agreement was strongest in relation to Treasury staff engaging with them in a respectful manner (94% agreed). Lower ratings were received in terms of the sufficiency (69%) and timeliness (65%) of information that Treasury provided to organisations.

Treasury engaged with relevant stakeholders in industry, government, peak bodies, and through working groups, consultations, workshops, and roundtable events to support our analysis and policy advice to Government.

Treasury's Stakeholder Liaison Unit undertook extensive and targeted engagement and consultations with stakeholders to inform policy advice and played a role in building stakeholder engagement capacity in other areas of Treasury.

<sup>10</sup> Substantially involved stakeholders are officials from Australian Government entities and senior executive level stakeholders from organisations external to government who have had dealings with Treasury at least 4 times in the past 12 months to inform policy advice and analysis.

## Part 2 – Report on performance

<b>Performance measure 3</b>	Forecasting activities are based on best practice and deliver outcomes that inform our economic policy advice.
<b>Methodology</b>	Assessment of forecasts against outcomes and peer review.
<b>Target</b>	Positive assessment and identified areas for improvement are actioned.
<b>Data sources</b>	Forecast outcomes data and peer review.
<b>Source</b>	PBS Program 1.1 Corporate Plan 2021–22
<b>Performance achieved</b>	<p><b>Population forecasting: Substantially achieved</b>  <b>Macroeconomic forecasting: Substantially achieved</b>  <b>Revenue forecasting: Substantially achieved</b></p> <p>Substantially achieved means Treasury’s forecasting activities were based on best practice and most areas for improvement were actioned.</p> <p>High levels of volatility and uncertainty associated with the COVID-19 pandemic, the unprecedented fiscal and monetary policy response and the war in Ukraine have made forecasting challenging and resulted in larger variances between forecasts and actual outcomes in some areas.</p>
<b>Analysis</b>	<p>While Treasury’s forecasting activities are based on best practice and informed by peer review processes, global economic circumstances evolved rapidly over 2021–22. The COVID-19 pandemic continued to strain global supply chains and the war in Ukraine significantly affected global food and energy markets, with flow on effects to inflation. This higher than usual uncertainty had an impact on the accuracy of macroeconomic and revenue forecasts.</p> <p>Treasury has well established peer review processes and a high-level of transparency on forecasting outcomes through publication in the Budget Statements and economic updates. Treasury has had detailed discussions with forecasting and modelling experts during the reporting period.</p> <p>This performance measure mainly focusses on the use of peer review processes to assess that Treasury’s forecasting activities are based on best practice. These vary across the 3 forecasting activities. The peer review processes are established to inform and improve forecasting activities and outcomes. They are not set-up to assess performance.</p> <p>The variation of peer review processes makes this a complex performance measure to report against in totality. Details on the approach for each component of this measure are contained within this statement.</p>

**Analysis**

It has been determined that this performance measure and target as published in the Corporate Plan 2021–22 do not provide an effective measure of forecasting outcomes or assessment for performance reporting. This performance measure has been replaced with two new measures in the Corporate Plan 2022–23:

- Variance between actual real Gross Domestic Product (GDP) and forecast real GDP.
- Variance between actual Total Tax Receipts (excluding Company Tax) and forecast.

Treasury published the performance of the economic and tax receipt forecasts against actual outcomes as part of Budget Statement 7 contained in Budget Paper 1, of the 2022–23 Budget in March 2022.

Treasury has assessed forecasting activities based on the available data of peer review processes and the actioning of improvements. The results are reported separately for each forecasting activity.

**Population forecasting**

The performance target has been substantially achieved.

Treasury's population forecasts were informed by regular engagement with population experts and key stakeholders.

- Bilateral consultations with Data and Forecasting Working Group members, including all states and territories, Australian Bureau of Statistics and Australian Local Government Association, between 29 September 2021 and 26 October 2021, involving more than 30 external stakeholders.
- Consultation with subject matter experts in preparation of forecasts including: Professor Dr Edith Gray, Head of the School of Demography, Australian National University; Professor Peter McDonald, Melbourne School of Population and Global Health, University of Melbourne on the fertility assumptions; Dr Tom Wilson, Melbourne School of Population and Global Health on fertility and net internal migration. Dr Wilson also provided guidance on model development and production for Greater Capital City Statistical Areas fertility, mortality, and Net Overseas Migration.
- Technical and demographic advice from the Population Expert Panel on modelling approaches and broader contextual information that relates to forecasting, such as assumption setting.

### Analysis

#### Macroeconomic forecasting

The performance target has been substantially achieved, notwithstanding the divergence between forecasts and actual outcomes in some areas.

In 2021–22, Treasury delivered regular assessments of economic conditions and forecasts including the impact of the COVID-19 pandemic. These included:

- the 2021–22 Mid-Year Economic and Fiscal Outlook in December 2021, the 2022–23 Budget in March 2022, and the Pre-election Economic and Fiscal Outlook in April 2022
- a report in August 2021 on the economic impact of the National Plan to Transition Australia’s National COVID-19 Response, which estimated the direct economic costs of the COVID-19 management strategies
- analysis of the impact of the Omicron COVID-19 outbreak in January 2022 to inform the work of National Cabinet.

During 2021–22, Treasury continued to review its forecasting methodology by ensuring its economic forecasts were prudent and align with best practice by convening the Joint Economic Forecasting Group with the Reserve Bank of Australia, Department of the Prime Minister and Cabinet, Department of Finance and Australian Bureau of Statistics. Treasury presented to the September 2021 and March 2022 Joint Economic Forecasting Group meetings to elicit views and feedback on the Treasury’s assumptions and forecasts. Based on these presentations and feedback from the other experts in the meetings, Treasury actively considered and reviewed the assumptions and judgements that underpinned the 2022–23 Budget forecasts.

Treasury presented its modelling methodologies to an Expert Panel to challenge ideas and ensure modelling approaches are robust, including the Expert Panel meeting in September 2021 to review the operation of the Treasury’s Industry Model.



**Analysis**

**Revenue forecasting**

The performance target has been substantially achieved.

Treasury regularly met and built relationships with colleagues in the Australian Taxation Office and Department of Home Affairs. This included collaborating to provide 2 economic updates during the reporting period and create monthly revenue profiles.

In response to economic changes in Australia during 2021–22, Treasury made a number of adjustments to forecasting models to include parameter changes, tax data compilation and a methodology review to capture the most up to date information.

While Treasury made significant revisions to tax receipt forecasts at the 2021–22 Mid-Year Economic and Fiscal Outlook and 2022–23 Budget, this is not unprecedented. Treasury's forecasting accuracy has fluctuated in line with unexpected changes to the economy such as the COVID-19 pandemic and the war in Ukraine.

## Activity 2

### Ensure effective Government spending arrangements

<b>Performance measure 4</b>	Delivered within the required timeframes in line with the Charter of Budget Honesty.
<b>Methodology</b>	Assessment against established timeframes.
<b>Target</b>	100%
<b>Data sources</b>	Documents released for the Budget, Final Budget Outcome, Mid-Year Economic and Fiscal Outlook, and the Pre-Election Economic and Fiscal Outlook.
<b>Source</b>	PBS Program 1.1 Corporate Plan 2021–22
<b>Performance achieved</b>	<b>Achieved</b> Achieved means all 4 deliverables (100%) were released within the timeframes as required under the <i>Charter of Budget Honesty Act 1998</i> . <sup>11</sup>
<b>Analysis</b>	<p>The performance target has been achieved.</p> <p>Treasury works with the Treasurer’s Office, across the Australian Public Service and within Treasury to ensure detailed planning and risk management processes are in place to support timely delivery of budget updates.</p> <p>In 2021–22, Treasury prepared and released all Australian Government Budget documents, in accordance with the required timeframes in line with the <i>Charter of Budget Honesty Act 1998</i>:</p> <ul style="list-style-type: none"> <li>▪ the 2020–21 Final Budget Outcome on 30 September 2021</li> <li>▪ the 2021–22 Mid-Year Economic and Fiscal Outlook report on 16 December 2021</li> <li>▪ the 2022–23 Budget on 29 March 2022</li> <li>▪ the 2022 Pre-Election Economic and Fiscal Outlook on 20 April 2022.</li> </ul> <p>These deliverables are the outcome of Treasury’s policy advice, analysis, consultation, and forecasting conducted through <i>Activity 1 – Provide informed, influential, and impactful policy advice and analysis</i>.</p>

<sup>11</sup> Treasury’s performance has been assessed against the 4 deliverables relating to the Final Budget Outcome, Mid-Year Economic and Fiscal Outlook, Budget and Pre-Election Economic and Fiscal Outlook, and not against other items in the *Charter of Budget Honesty Act 1998*.

<b>Performance measure 5</b>	Percentage of payments administered within agreed requirements and timeframes.
<b>Methodology</b>	Assessment against relevant legislation and agreements, Commonwealth Grant Agreement, and Intergovernmental Agreement on Federal Financial Relations.
<b>Target</b>	100%
<b>Data sources</b>	Administrative data of payments.
<b>Source</b>	PBS Programs 1.2, 1.3 and 1.4 to 1.9 Corporate Plan 2021–22
<b>Performance achieved</b>	<p><b>Payments to international financial institutions: Achieved</b></p> <p>The performance target has been achieved against the requirements and timeframes.</p> <p>Twenty-one payments (100%) were administered to international financial institutions within agreed requirements and timeframes.</p> <p>Achieved means 100% of payments are administered within agreed requirements and timeframes.</p> <p><b>Payments administered under Commonwealth Grant Agreements: Substantially achieved</b></p> <p>The performance target has been substantially achieved against the requirements and timeframes.</p> <p>Twenty Commonwealth Grant Agreements payments (100%) were administered within agreed requirements.</p> <p>Eighteen Commonwealth Grant Agreements payments (90%) were administered within agreed timeframes.</p> <p>Substantially achieved means 90% to 99% of payments are administered within agreed requirements and timeframes.</p> <p><b>Payments to the states and territories under the Intergovernmental Agreement on Federal Financial Relations (IGAFFR): Substantially achieved</b></p> <p>The performance target has been substantially achieved against the requirements and timeframes.</p> <p>There were 639 (99.5%) payments administered within the requirements.</p> <p>There were 642 (100%) payments administered within the required timeframes.</p> <p>Substantially achieved means 90 to 99% of payments are administered within agreed requirements and timeframes.</p>

**Analysis**

The performance measure is comprised of 3 payment types that have a common target. The assessment of performance against the 3 payment types are reported separately within this analysis. As the 3 payment types have different requirements and timeframes, Treasury is not reporting an overall performance result.

Treasury is using the delivery of payments to the intended recipients within the required timeframes, and in accordance with relevant legislation and agreements, as an assessment of timeliness and a proxy efficiency measure. This is an assessment of Treasury's efficiency to deliver payments as required within established resources. The development of the proxy efficiency measure occurred after publication of the Corporate Plan 2021–22 to meet reporting requirements.

**Payments to international financial institutions<sup>12</sup>**

The performance target has been achieved against the requirements and timeframes.

Over the reporting period, 16 payments were made to the International Monetary Fund in accordance with the *International Monetary Agreements Act 1947* totalling A\$17.9 million.

Payments to the International Monetary Fund were:

- four quarterly payments to cover charges on our Special Drawing Right allocation (totalling approximately A\$17.6 million)
- one Annual Assessment Charge of approximately A\$232,000
- eleven administrative payments (totalling approximately A\$35,000).

Payments were also made to the World Bank, International Bank for Reconstruction and Development, International Finance Corporation, and the Asian Development Bank.

All transactions were completed in collaboration with the Reserve Bank of Australia.

<sup>12</sup> Payments to international financial institutions refers to a one-way transfer of funds from Australia to the relevant financial institution. It does not include two-way exchanges or one-way receipts of funds.

## Analysis

**Payments administered under Commonwealth Grant Agreements**

The performance target has been substantially achieved against the requirements and timeframes.

Treasury administered 20 payments under Commonwealth Grant Agreements. All payments were made within agreed requirements and 18 payments were made within agreed timeframes<sup>13</sup>.

Treasury administers grant payments made under a Commonwealth Grant Agreement through the Business Grants Hub in the Department of Industry, Science and Resources.

Treasury's administered grant payments included:

- Digital Solutions program
- Ahead for Business Extension program
- NewAccess for Small Business Owners program
- Small Business Bushfire Financial Support Line
- Go Local First
- Support for Markets and Business Program.

There were 2 payments for the Digital Solutions program that were made after the scheduled payment date that did not meet the required timeframes.

Treasury facilitated 2 grant payments to the Global Infrastructure Hub, 2 grant payments to the Financial Adviser Standards and Ethics Authority, and a single grant payment to Super Consumers Australia.

<sup>13</sup> The Digital Solutions program has payment dates scheduled in the funding agreement, other programs have funding agreements with anticipated payment dates, and the funding agreement for the Small Business Bushfire Financial Support Line program requires payments within the financial year. Treasury has assessed payments within timeframes based on the requirements of individual funding agreements.

Analysis

**Payments to the states and territories (the states) under the Intergovernmental Agreement on Federal Financial Relations (IGAFFR)**

The performance target has been substantially achieved against the requirements and timeframes.

Treasury has used the payment timing as prescribed under the IGAFFR to determine if timeframes are met as payments are only made when agreement milestones have been achieved.

Under the IGAFFR, payments are made to the states on the 7<sup>th</sup> and 21<sup>st</sup> of the month and by exception as required. In 2021–22 there were 27 payment rounds, including 3 extraordinary rounds.

In accordance with the IGAFFR, Treasury made payments to the states of \$159.9 billion in 2021–22, compared to \$132 billion in 2020–21. This work included:

- Twelve specific purpose payment rounds made on the 7<sup>th</sup> of each month (or the closest working day after)
- Three extraordinary specific purpose payment rounds made on 22 November, 17 March and 30 June
- Twelve general revenue assistance payment rounds made on the 21<sup>st</sup> of each month (or the closest working day after).

In total, these 27 payment rounds comprised of 642 individual payments to the states.

All payment data sources have been reconciled to ensure that what Commonwealth agencies requested was paid to the states, what officials in the Treasury approved as payments to the states, and what was actually paid to the states resulted in zero variances. All payments were made on time.

Throughout the financial year, Treasury identified 3 instances of overpayment to the states due to administrative errors by Commonwealth agencies. These represented a small fraction of total payments made – \$15.3 million out of a total of \$18.5 billion in national partnership payments in 2021–22. Two of these overpayments were recovered in 2021–22 with the third to be fully recovered in early 2022–23. Treasury has strengthened controls to minimise the chance of reoccurrence of such errors and strengthened its payment approval controls for these programs.

### Activity 3

## Deliver programs associated with the Government's economic priorities, including COVID-19 economic response programs

<b>Performance measure 6</b>	Treasury ministers confirm that our program delivery is timely and in line with the Government's economic priorities.
<b>Methodology</b>	Assessment of data collected through structured interviews with Treasury ministers on the delivery of programs.
<b>Target</b>	Delivery is aligned to Government priorities.
<b>Data sources</b>	Records of interview collected at the end of the reporting period.
<b>Source</b>	PBS Program 1.1 Corporate Plan 2021–22
<b>Performance achieved</b>	<p><b>Achieved</b></p> <p>Treasury achieved an effectiveness result<sup>14</sup> of 100% from Treasury ministers or their chiefs of staff.</p> <p>Achieved means 100% of Treasury ministers or their chiefs of staff confirmed that our program delivery is timely and in line with the Government's economic priorities.</p>
<b>Analysis</b>	<p>The performance target was achieved.</p> <p>Treasury utilised a ministerial questionnaire through structured interviews to measure the department's timely delivery of programs in line with the Government's priorities. An external provider was engaged to develop the ministerial questionnaire and report the results. Each ministerial interview was conducted by a Treasury Deputy Secretary. The external provider also attended as an objective observer and note taker.</p> <p>The Minister for Superannuation, Financial Services and the Digital Economy participated in the interview in person. The Treasurer, Assistant Treasurer and Minister for Employment, Workforce, Skills, Small and Family Business were represented by their chiefs of staff.</p>

<sup>14</sup> The effectiveness result is survey respondents' rating of Treasury against set questions as an indicator of effectiveness. The performance result is calculated as an average of the percentage of survey respondents who provided ratings of 4 (agree) or 5 (strongly agree) on a 5-point scale for applicable question items.

### Analysis

The chiefs of staff who participated in the interviews provided feedback in consultation with their minister. The Assistant Treasurer signed-off on their chief of staff's interview responses.

The ministerial interviews achieved a response rate of 100% and an effectiveness result of 100%. The Minister for Superannuation, Financial Services and the Digital Economy and the chiefs of staff provided favourable ratings of the effectiveness of Treasury's program delivery. While overall agreement for both program delivery aspects, ministerial stakeholders agreed most strongly that Treasury's program delivery was in line with the Government's economic priorities (50% strongly agreed and 50% agreed). All Ministerial stakeholders agreed that Treasury's program delivery was timely (17% strongly agreed and 83% agreed).

The ministerial feedback specifically identified Treasury's engagement with the states and territories on the HomeBuilder program. Treasury continued to work with state and territory policy and delivery agencies to support the delivery of the HomeBuilder program in line with Government objectives. Treasury commenced the review of the National Partnership Agreement on HomeBuilder and is working closely with delivery agencies on winding up the program on 30 June 2023.

Treasury's collaborative work on the Consumer Data Right was also specifically identified in the ministerial feedback. Treasury leads the program management of the Consumer Data Right and worked closely with the Data Standards Body in Treasury, the Australian Competition and Consumer Commission and the Office of the Australian Information Commissioner. Treasury continued to work with agencies to support participants in meeting key deadlines and the implementation of the banking sector (also known as Open Banking). Treasury also continued to provide advice to Government on revisions to the Consumer Data Right regulatory frameworks that will enable the program to expand across the economy and expand its functionality in line with the Government's priorities.

Given the relative importance of the Treasurer as the senior Treasury Minister, the survey ratings of the Treasurer's delegate have been given 3 times the weight of those of other ministers (or their chiefs of staff) in calculating aggregate performance metrics. This has the effect of the Treasurer's responses accounting for 50% of the aggregate performance result.

The operational rules in the Treasury Stakeholder Feedback Measurement Framework requires ministers who participate in the ministerial questionnaire to have been in office for a minimum of 90 days to ensure a good understanding of Treasury's performance. These rules mean that the Treasury ministers for the current Government were not interviewed.



## Activity 4

### Delivery of the Government’s legislative agenda associated with the Treasury portfolio

<b>Performance measure 7</b>	Proportion of legislative measures committed for delivery at the beginning of a parliamentary sitting period, adjusted for any Government reprioritisation of legislative measures during the sitting period, and compared to the number actually delivered.
<b>Methodology</b>	Assessment of the legislative agenda against the legislative program.
<b>Target</b>	90%
<b>Data sources</b>	Administrative data for legislative agenda.
<b>Source</b>	PBS Program 1.1 Corporate Plan 2021–22
<b>Performance achieved</b>	<p><b>Achieved</b></p> <p>Treasury delivered an average of 94% of measures committed for delivery across the sitting periods.</p> <p>Achieved means 90% or greater of legislative measures delivered as committed with adjustment for reprioritisation.</p>
<b>Analysis</b>	<p>The performance target has been achieved.</p> <p>Treasury achieved its 2021–22 performance target for the delivery of the legislative agenda, delivering an average of 94% of measures committed for delivery across the relevant Parliamentary sitting periods (from July 2021 in Winter 2021 through Spring 2021, Autumn 2022 to the months of May and June 2022 in Winter 2022)<sup>15</sup>.</p> <p>The Treasury legislation program is a key mechanism for delivering on the Government’s economic agenda. Treasury works closely with portfolio agencies and the Office of Parliamentary Counsel to ensure the timely development and delivery of legislation to implement Government policy.</p>

<sup>15</sup> Only legislative measures that were committed, reprioritised and delivered from 1 July 2021 to 30 June 2022 were included in the calculation.

### Analysis

Treasury has amended the performance measure to include the reprioritisation of legislative measures during the sitting period in response to Government priorities. Reprioritisation involves the removal and addition of legislative measures during the sitting periods in the assessment. This amendment is necessary to accommodate the dynamic nature of the legislative program to changing priorities of Government business. The inclusion of the reprioritised measures in the calculation produces an accurate result of what was agreed for delivery in the sitting period.

The legislative program during the 2021–22 reporting period was dynamic in nature, as in other years, with the program requiring frequent change in response to evolving Government priorities. Treasury acknowledges there were some limitations with recording evidence for the reprioritisation of legislative measures, however Treasury considers it is important to report against this activity because it is a significant portion of the Commonwealth's legislation program each year.

## Activity 5

### Administer Treasury’s regulator functions

<b>Performance measure 8</b>	Percentage of key stakeholders agree that regulator activities are responsive to the environment and builds trust.
<b>Methodology</b>	Survey of key stakeholders <sup>16</sup> of performance against principles of regulator best practice.
<b>Target</b>	70%
<b>Data sources</b>	Survey data of regulator functions.
<b>Source</b>	PBS Program 1.1 Corporate Plan 2021–22
<b>Performance achieved</b>	<p><b>Foreign Investment Review Framework: Not achieved</b></p> <p>Treasury achieved an effectiveness result<sup>17</sup> of 42% from stakeholders surveyed.</p> <p><b>Payment Times Reporting Scheme: Not achieved</b></p> <p>Treasury achieved an effectiveness result of 42% from stakeholders surveyed.</p> <p>Not achieved means that less than 60% of survey respondents provided a rating of agree or strongly agree for applicable questions.</p>
<b>Analysis</b>	<p>Treasury used structured key stakeholder surveys as a new approach this year to measure the department’s administration of regulator functions. An external provider was engaged to develop, conduct and report on the regulator surveys. This is a reliable and verifiable method of performance reporting. The surveys aligned with the 3 principles of the Regulator Performance Guide<sup>18</sup>.</p> <p>This performance measure is aligned to Principle 1: Continuous improvement and building trust.</p> <p>A separate survey was conducted for each of Treasury’s regulators and reported separately within this analysis.</p>

<sup>16</sup> Key stakeholders for this survey are knowledgeable observers who are senior officers from Australian Government entities and senior executives from other organisations, but does not include applicants or regulated entities.

<sup>17</sup> The effectiveness result is survey respondents’ rating of Treasury against set questions as an indicator of effectiveness. The performance result is calculated as an average of the percentage of survey respondents who provided ratings of 4 (agree) or 5 (strongly agree) on a 5-point scale for applicable question items.

<sup>18</sup> [deregulation.pmc.gov.au/priorities/regulator-best-practice-and-performance/regulator-performance-guide](https://deregulation.pmc.gov.au/priorities/regulator-best-practice-and-performance/regulator-performance-guide)

**Analysis**

**Foreign Investment Review Framework**

The performance target has not been achieved.

Over the past 2 years, the Foreign Investment Review Framework (the framework) has experienced significant change with the implementation of zero dollar threshold (29 March 2020 to 31 December 2020) and introduction of national security and compliance reforms on 1 January 2021. These reforms required significant changes to the way the framework is administered and also required those regulated under the framework to make adjustments. The stakeholder survey has been undertaken in the context of the implementation of these regulatory changes and reforms.

A total of 76 stakeholders of the framework were asked to participate in a survey. The survey received a response rate of 26% and achieved an effectiveness result of 42%.

Overall, 42% of stakeholders provided positive assessments of the environmental responsiveness and trust-building capacity of Treasury's regulatory processes.

Close to three-quarters (71%) agreed that Treasury's understanding of the foreign investment operating environment is adequate. However, less than half (44%) felt Treasury seeks to minimise the regulatory burden of the foreign investment review framework on business and the community. The results were lowest in relation to timeliness (33%) and transparency (22%) of Treasury's regulatory processes. This was partly due to a greater proportion of neutral responses, more than half (56%) 'neither agreed nor disagreed' that Treasury has transparent regulatory processes.

Treasury engages with foreign investors and their advisers in response to enquiries about the foreign investment framework and applications to ensure it keeps pace with industry developments.

Since the implementation of significant legislative reforms on 1 January 2021, Treasury has increased its responsiveness to investors and the independent auditors they engage. Treasury has enhanced engagement with auditors by improving its understanding of their operational context and needs.

Treasury is actively working to increase transparency and build trust in the foreign investment regulatory process. This includes establishing procedures to improve transparency with government stakeholders and investors, and to provide a basis for better education about the role of compliance in the foreign investment review framework.

## Analysis

**Payment Times Reporting Scheme**

The performance target has not been achieved.

A total of 9 stakeholders<sup>19</sup> of the Payment Times Reporting Scheme (the scheme) were asked to participate in the survey. The survey received a response rate of 56% and an effectiveness result of 42%.

The stakeholders of the scheme provided mixed ratings with 42% agreeing to questions about the environmental responsiveness and trust-building capability of Treasury's regulatory activities.

The stakeholders of the scheme were most likely to agree that the Payment Times Reporting Regulator (the regulator) seeks to minimise the regulatory burden of the scheme on regulated entities (67%) and half (50%) agreed the regulator has transparent processes. A quarter (25%) of the stakeholders agreed that the regulator has timely regulatory processes and an adequate understanding of regulated entities' operating environments.

The scheme aims to improve the payment performance of large businesses and government enterprises (known as reporting entities) in relation to their small business suppliers. This is done by creating transparency around payment times and practices. Reporting entities must report their payment terms and times for small businesses to the Regulator. These are then published on the Payment Times Reports Register, accessible from the Payment Times website.

In responding to environmental factors and stakeholder feedback over 2021–22, the regulator has:

- allowed extensions of time for reporting entities to meet their reporting obligations, particularly those affected by COVID-19.
- enhanced the range of regulatory resources to assist reporting entities, including information sheets and comprehensive guidance notes that were open for public consultation between July and September 2022.
- established the *Regulator's Update*, a biannual publication accessible on the Payment Times website, and a follow-up stakeholder liaison forum for ongoing discussions with stakeholders.

<sup>19</sup> The *Payment Times Reporting Act 2020* commenced on 1 January 2021. The scheme had a 12-month transition period and came into full effect on 1 January 2022 with the commencement of compliance and enforcement powers. Entities surveyed were knowledgeable observers and external stakeholders involved with the scheme in a substantial way but were not regulated entities.

## Part 2 – Report on performance

<b>Performance measure 9</b>	Percentage of key stakeholders agree that regulatory activities are risk based and data driven.
<b>Methodology</b>	Survey of key stakeholders <sup>20</sup> of performance against principles of regulator best practice.
<b>Target</b>	70%
<b>Data sources</b>	Survey data of regulator functions.
<b>Source</b>	PBS Program 1.1 Corporate Plan 2021–22
<b>Performance achieved</b>	<p><b>Foreign Investment Review Framework: Not achieved</b></p> <p>Treasury achieved an effectiveness result<sup>21</sup> of 32% from stakeholders surveyed.</p> <p><b>Payment Times Reporting Scheme: Not achieved</b></p> <p>Treasury achieved an effectiveness result of 25% from stakeholders surveyed.</p> <p>Not achieved means less than 60% of survey respondents provided a rating of agree or strongly agree for applicable questions.</p>
<b>Analysis</b>	<p>Treasury used structured key stakeholder surveys as a new approach this year to measure the department’s administration of regulator functions. An external provider was engaged to develop, conduct and report on the regulator surveys to support this reliable and verifiable method of performance reporting. The surveys aligned with the 3 principles of the Regulator Performance Guide.<sup>22</sup></p> <p>This performance measure is aligned to Principle 2: Risk based and data driven.</p> <p>A separate survey was conducted for each of Treasury’s regulators and reported separately in this analysis.</p>

<sup>20</sup> Key stakeholders for this survey are knowledgeable observers who are senior officers from Australian Government entities and senior executives from other organisations, but does not include applicants or regulated entities.

<sup>21</sup> The effectiveness result is survey respondents’ rating of Treasury against set questions as an indicator of effectiveness. The performance result is calculated as an average of the percentage of survey respondents who provided ratings of 4 (agree) or 5 (strongly agree) on a 5-point scale for applicable question items.

<sup>22</sup> [deregulation.pmc.gov.au/priorities/regulator-best-practice-and-performance/regulator-performance-guide](https://deregulation.pmc.gov.au/priorities/regulator-best-practice-and-performance/regulator-performance-guide)

## Analysis

**Foreign Investment Review Framework**

The performance target has not been achieved.

Over the past 2 years, the Foreign Investment Review Framework (the framework) has experienced significant change with the implementation of zero dollar threshold (29 March 2020 to 31 December 2020) and introduction of national security and compliance reforms on 1 January 2021. These reforms required significant changes to the way the framework is administered and also required those regulated under the framework to make adjustments. The stakeholder survey has been undertaken in the context of the implementation of these regulatory changes and reforms.

A total of 76 stakeholders of the framework were asked to participate in a survey. The survey received a response rate of 26% and achieved an effectiveness result of 32%.

Around one-third (32%) of stakeholders provided favourable ratings that Treasury's regulator activities are risk based and data driven.

Close to half (44%) agreed Treasury's approach to its regulatory activities is proportionate, risk based, and seeks to minimise regulatory burden while maintaining compliance with legislation. Just under one-fifth (19%) agreed that Treasury makes effective use of data to inform these activities. Sizeable proportions provided neutral responses for both factors, particularly regarding Treasury making effective use of data (56% 'neither agreed nor disagreed'), whereas 26% disagreed.

Over the reporting period, Treasury has looked to mature its risk based and data driven activities, including through:

- proactive campaigns used to systematically analyse data sources to identify suspected risks of non-compliance
- education campaigns using targeted email communications to prompt investor compliance
- risk-focused methods including implementation of an 'audit outcome recording tool' to better inform our risk monitoring and assurance activities.

Additionally, Treasury has worked collaboratively across government to provide advice on sectoral assessments to improve whole-of-government understanding of national security risks related to foreign investment.

### Analysis

#### Payment Times Reporting Scheme

The performance target has not been achieved.

A total of 9 stakeholders<sup>23</sup> of the Payment Times Reporting Scheme (the scheme) were asked to participate in the survey. The survey received a response rate of 56% and an effectiveness result of 25%.

Overall, one-quarter (25%) of stakeholders responded positively that Treasury's regulator activities were risk based and data driven.

Half (50%) of stakeholders agreed that the Payment Times Reporting Regulator (the regulator) takes a proportionate, risk based approach to its regulatory activities and seeks to minimise regulatory burden. The remaining half disagreed. All ratings for the effectiveness of the regulator's use of data were neutral, contributing to the lower overall effectiveness result.

The scheme aims to improve the payment performance of large businesses and government enterprises (known as reporting entities) in relation to their small business suppliers by creating transparency around payment times and practices. Reporting entities must report their payment terms and times for small businesses to the Regulator. The results are published on the Payment Times Reports Register accessible from the Payment Times website.

In 2021–22, regulatory activities have focussed on the collection and publication of reports and responding to enquiries and applications by reporting entities. The regulator has not used its compliance and enforcement powers, which were delayed until 1 January 2022, in accordance with section 37 of the *Payment Times Reporting Act 2020*. The regulator has released policies to ensure there is an escalating approach to compliance and enforcement that is based on risk and driven by data collected from reporting entities and by other government agencies.

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<sup>23</sup> The *Payment Times Reporting Act 2020* commenced on 1 January 2021. The scheme had a 12-month transition period and came into full effect on 1 January 2022 with the start of compliance and enforcement powers. Entities surveyed were knowledgeable observers and external stakeholders involved with the scheme in a substantial way but were not regulated entities.



<b>Performance measure 10</b>	Percentage of key stakeholders who have a high level of satisfaction with regulator services, engagement and consultation.
<b>Methodology</b>	Survey of key stakeholders <sup>24</sup> of performance against principles of regulator best practice.
<b>Target</b>	70%
<b>Data source</b>	Survey data of regulator functions.
<b>Source</b>	PBS Program 1.1 Corporate Plan 2021–22
<b>Performance achieved</b>	<p><b>Foreign Investment Review Framework: Partially achieved</b></p> <p>Treasury achieved an effectiveness result<sup>25</sup> of 62% from stakeholders surveyed.</p> <p>Partially achieved means 60% to 64% of survey respondents provided a rating of agree or strongly agree for applicable questions.</p> <p><b>Payment Times Reporting Scheme: Achieved</b></p> <p>Treasury achieved an effectiveness result of 71% from stakeholders surveyed.</p> <p>Achieved means more than 70% of survey respondents provided a rating of agree or strongly agree for applicable questions.</p>
<b>Analysis</b>	<p>Treasury used structured key stakeholder surveys as a new approach this year to measure the department's administration of regulator functions. An external provider was engaged to develop, conduct and report on the regulator surveys to support this reliable and verifiable method of performance reporting. The surveys aligned with the 3 principles of the Regulator Performance Guide.<sup>26</sup></p> <p>This performance measure is aligned to Principle 3: Collaboration and engagement.</p> <p>A separate survey was conducted for each of Treasury's regulators and reported separately within this analysis.</p>

<sup>24</sup> Key stakeholders for this survey are knowledgeable observers who are senior officers from Australian Government entities and senior executives from other organisations, but does not include applicants or regulated entities.

<sup>25</sup> The effectiveness result is survey respondents' rating of Treasury against set questions as an indicator of effectiveness. The performance result is calculated as an average of the percentage of survey respondents who provided ratings of 4 (agree) or 5 (strongly agree) on a 5-point scale for applicable question items.

<sup>26</sup> [deregulation.pmc.gov.au/priorities/regulator-best-practice-and-performance/regulator-performance-guide](https://deregulation.pmc.gov.au/priorities/regulator-best-practice-and-performance/regulator-performance-guide)

**Analysis**

**Foreign Investment Review Framework**

The performance target has been partially achieved.

Over the past 2 years, the Foreign Investment Review Framework (the framework) has experienced significant change with the implementation of zero dollar threshold (29 March 2020 to 31 December 2020) and introduction of national security and compliance reforms on 1 January 2021. These reforms required significant changes to the way the framework is administered and also required those regulated under the framework to make adjustments. The stakeholder survey has been undertaken in the context of the implementation of these regulatory changes and reforms.

A total of 76 stakeholders of the framework were asked to participate in a survey. The survey received a response rate of 26% and achieved an effectiveness result of 62%.

Overall, around 6 in 10 (62%) stakeholders of the framework indicated they were satisfied with Treasury's regulator services, engagement and consultation.

Stakeholders provided the most favourable ratings (82%) for the accessibility of Treasury's guidance and information about the foreign investment review framework. Around two-thirds agreed that Treasury is receptive to feedback (68%) and engages sufficiently with external stakeholders (67%). Stakeholders were least likely to agree (41%) that Treasury provides sufficient guidance and information.

Evaluation of the 2021 foreign investment reforms released on 14 February 2022 found that in the first year of operation, the legislative reforms achieved the Government's intentions by enabling scrutiny of investments that may pose national security risks and that Treasury struck the appropriate balance between supporting foreign investment into Australia and protecting the national interest.

However, submissions to the evaluation raised issues regarding the framework and its administration. Treasury is focused on implementing continuous improvement of the framework in response to feedback particularly around transparency and timeliness.

As part of commitment to continuous improvement and efficiency, Treasury has commenced a project to reform the independent audit program to streamline the approach to independent audits.

Treasury has also improved stakeholder satisfaction with regulator services, engagement and consultation by increasing outreach with other government departments and agencies, including with the Department of Defence and the Australian Taxation Office.

## Analysis

**Payment Times Reporting Scheme**

The performance target has been achieved.

A total of 9 stakeholders<sup>27</sup> of the Payment Times Reporting Scheme (the scheme) were invited to participate in the survey. The survey received a response rate of 56% and an effectiveness result of 71%.

Most stakeholders of the scheme rated the Payment Times Reporting Regulator's (the regulator) services, engagement and consultation positively, with 71% overall providing positive ratings in relation to this measure.

All stakeholders (100%) agreed that the regulator provides clear guidance and information about the scheme. Agreement was lower in relation to the sufficiency and timeliness of guidance and information provided by the regulator, with half (50%) indicating they were satisfied.

The scheme aims to improve the payment performance of large businesses and government enterprises (known as reporting entities) in relation to their small business suppliers by creating transparency around their payment times and practices. Reporting entities must report their payment terms and times for small businesses to the regulator. They are then published on the Payment Times Report Register accessible from the Payment Times website.

Reporting entities and stakeholders can access information and assistance through a dedicated enquiries mailbox and a call centre, open from 8am to 8pm Australia-wide, Monday to Friday. During the reporting period, the regulator actioned over 4,000 emails. Over 3,000 enquiries were made through the call centre, including web chat and phone calls.

The regulator released comprehensive guidance notes that were open for public consultation between July and September 2022. It committed to releasing of additional regulatory resources to assist regulated entities to meet their obligations.

<sup>27</sup> The *Payment Times Reporting Act 2020* commenced on 1 January 2021. The scheme had a 12-month transition period and came into full effect on 1 January 2022 with the commencement of compliance and enforcement powers. Entities surveyed were knowledgeable observers and external stakeholders involved with the scheme in a substantial way but were not regulated entities.

## Activity 6

### Deliver measures focused on small businesses

<b>Performance measure 11</b>	Number of small businesses assisted.
<b>Methodology</b>	Assessment of Digital Solutions – Australian Small Business Advisory Services provider data.
<b>Target</b>	17,000 <sup>28</sup>
<b>Data sources</b>	Administrative data for Digital Solutions – Australian Small Business Advisory Services.
<b>Source</b>	PBS Program 1.1 Corporate Plan 2021–22
<b>Performance achieved</b>	<p><b>Partially achieved</b></p> <p>11,725 small business (68% of the target) were assisted through the Digital Solutions – Australian Small Business Advisory Services program.</p> <p>Partially achieved means 8,500 (50% of the target) to 12,750 (75% of the target) of small businesses assisted against the target of 17,000.</p>
<b>Analysis</b>	<p>The performance target has been partially achieved.</p> <p>This year’s target of 17,000 small businesses to be assisted through the program was based on the previous year’s performance result. Funding was allocated to support an additional 10,000 small business, an increase from 7,000.</p> <p>The services involve advice on digital tools and broader advice specific to small businesses. The additional funding for 2021–22 offered support to small business in response to the impacts of COVID-19.</p> <p>Providers have experienced difficulty in attracting new clients since the introduction of the nationally consistent approach in the form of requiring clients to sign up for a 7-hour package.</p>

<sup>28</sup> Target involves additional funding allocated to support small businesses during the COVID-19 pandemic. The targets for future years are based on the standard funding allocation.

**Analysis**

Targets were set with the expectation that a significant national advertising campaign would run during 2021–22, raising the profile of the program and driving demand from small businesses for digitalisation advice. However, there was a shift in priorities and the campaign did not run. This left providers without the support they had expected.

Other factors contributing to targets not being achieved included the new 7-hour package rolled out in December 2021 that made it difficult for providers to attract new clients in the busy pre-Christmas and January holiday period. The reinstatement of a fee to participate which was temporarily waived due to COVID-19 may have also impacted service delivery.

Despite the partial achievement of the primary target of the number of small businesses serviced, providers did exceed the overall target of 1:1 contact hours of service delivered. There were 47,896 contact hours of service against a target of 42,648 hours. This indicates a greater level of service to each client than anticipated.

Treasury also amended Activity 6 to remove the wording on the reduction of regulatory burden on business as the performance measure did not address that component of the activity. Treasury addressed regulation that applies to small business through policy advice to the Government. Treasury was not able to assess the regulatory burden on small businesses as outlined in the original Activity 6 during the 2021–22 reporting period.

Treasury relies on third party data reported by the Digital Solutions service providers to the Department of Industry, Science and Resources Business Grants Hub. The program data is consolidated by Business Grants Hub as the grants administrator from program reports submitted by the service providers. There are limitations to Treasury's ability to assure the reliability of the program data.

## Activity 7

### Deliver infrastructure and project financing advice and actuarial services

<b>Performance measure 12</b>	Proportion of clients that are satisfied with the delivery of specialist services and advice.
<b>Methodology</b>	Assessment of delivery as agreed with clients and client feedback.
<b>Target</b>	80%
<b>Data sources</b>	Administrative data of specialist services and advice provided to clients and client feedback.
<b>Source</b>	PBS Program 1.1 Corporate Plan 2021–22
<b>Performance achieved</b>	<p><b>Australian Government Actuary: Achieved</b></p> <p>Australian Government Actuary achieved a client satisfaction result<sup>29</sup> of 96%.</p> <p>Achieved means more than 80% of survey respondents provided ratings of agree or strongly agree to the survey questions.</p> <p><b>Infrastructure and Commercial Advisory: Substantially achieved</b></p> <p>Infrastructure and Commercial Advisory achieved a client satisfaction result of 77%.</p> <p>Substantially achieved means between 75 to 79% of survey respondents provided ratings of agree or strongly agree to the survey questions.</p>
<b>Analysis</b>	Treasury engaged an external provider to develop, conduct and report on the client surveys to measure client satisfaction with the delivery of specialist services and advice provided by the Australian Government Actuary (AGA) and the Infrastructure and Commercial Advisory (ICA). ICA is the updated title for the Infrastructure and Project Financing Authority (IPFA), which was the title of the function, when the client survey was conducted in May 2022.

<sup>29</sup> The client satisfaction result is survey respondents' rating of Treasury against set questions as an indicator of satisfaction. The client satisfaction result is calculated as an average of the percentage of survey respondents who provided ratings of 4 (agree) or 5 (strongly agree) on a 5-point scale for applicable question items.

## Analysis

**Australian Government Actuary (AGA)**

The performance target has been achieved.

AGA achieved a client satisfaction result of 96%. Seventy-three clients were asked to participate in the survey, including 11 clients internal to Treasury, with a response rate of 34%. Removing internal Treasury clients from the survey result (24% of total responses) achieved a client satisfaction result of 95%.

The survey results indicated 76% of clients strongly agreed that the AGA demonstrated a high-level of expertise and 72% strongly agreed that high-quality services and advice were provided. Around 6 in 10 clients strongly agreed that the AGA added value in informing decision making (64%) and provided timely services and advice (56%).

During the reporting period, AGA provided specialist actuarial services and advice to clients including the Australian Taxation Office, National Disability Insurance Agency, and other Australian Government departments, including the Department of Defence, Department of Education, Skills and Employment, Department of Health, Department of Social Services and Department of Veterans' Affairs. Additionally, actuarial services and advice was provided to the Treasury-led Cyclone Reinsurance Pool Taskforce and the Tuition Protection Service within the former Department of Education, Skills and Employment.

**Infrastructure and Commercial Advisory (ICA)**

The performance target has been substantially achieved.

ICA achieved a client satisfaction result of 77%. A total of 52 clients who received specialist commercial and financial advisory services were asked to participate in a survey with a response rate of 21%<sup>30 31</sup>.

The majority (82%) of clients agreed that ICA provided timely services, including 64% who strongly agreed, and the large majority (82%) of clients also agreed ICA demonstrated a high-level of expertise. Nearly 3-quarters (72%) of clients felt that ICA provided high-quality services and advice and they added value in informing decision making.

ICA provided advice on the commercial and financial aspects of Australian Government infrastructure priorities and project to client agencies and departments. In 2021–22, the recipients of the majority (around 78%) of ICA's client advice were the Department of Infrastructure, Transport, Regional Development and Communications, and the Department of Industry, Science, and Resources. Over this period, ICA delivered 59 instances of specialist advice, 13 assessments under the Budget Process Operational Rules and 8 knowledge sharing events to clients and key stakeholders. ICA are actively taking steps to refresh relationships with its clients to ensure they are satisfied with the delivery of specialist services and advice.

<sup>30</sup> A response rate of 20% was established as a valid response for the survey.

<sup>31</sup> The client survey results only include ICA external clients.

## Financial performance

Treasury has a sound financial position, meeting its debt obligations as and when they fall due. Treasury reported an operating deficit of \$0.3 million in 2021-22 excluding depreciation, amortisation, changes in asset revaluation reserves and leasing adjustments. The result was driven by the reclassification of cloud-based software projects to operating expenditure, including prior year work-in-progress balances, partly offset by employee provision revaluations due to changes in Australian bond rates and other provision parameters.

This compares with an operating surplus of \$5.9 million in 2020-21 after adjusting for depreciation and amortisation, changes in asset revaluation reserves and leasing adjustments. Treasury's administered expenses in 2021-22 were \$180.643 billion compared with \$160.389 billion in 2020-21.

**Figure 3:** Treasury portfolio outcome and program structure at 30 June 2022

<b>Portfolio Minister – Treasurer</b>
The Hon Dr Jim Chalmers MP
<b>Minister for Housing   Minister for Homelessness   Minister for Small Business</b>
The Hon Julie Collins MP
<b>Assistant Treasurer   Minister for Financial Services</b>
The Hon Stephen Jones MP
<b>Assistant Minister for Competition, Charities and Treasury</b>
The Hon Dr Andrew Leigh MP



## Department of the Treasury

Secretary, Dr Steven Kennedy PSM

<b>Outcome 1</b>	Supporting and implementing informed decisions on policies for the good of the Australian people, including for achieving strong, sustainable economic growth, through the provision of advice to Treasury Ministers and the efficient administration of Treasury's functions.
<b>Program 1.1</b>	Department of the Treasury
<b>Program 1.2</b>	Payments to International Financial Institutions
<b>Program 1.3</b>	Support for Markets and Business
<b>Program 1.4</b>	General Revenue Assistance
<b>Program 1.5</b>	Assistance to the States for Healthcare Services
<b>Program 1.6</b>	Assistance to the States for Skills and Workforce Development
<b>Program 1.7</b>	Assistance to the States for Disability Services
<b>Program 1.8</b>	Assistance to the States for Affordable Housing
<b>Program 1.9</b>	National Partnership Payments to the States

### Australian Bureau of Statistics

Australian Statistician, Dr David Gruen AO

**Outcome 1** Decisions on important matters made by Governments, business and the broader community are informed by objective, relevant and trusted official statistics produced through the collection and integration of data, its analysis, and the provision of statistical information.

**Program 1.1** Australian Bureau of Statistics

### Australian Competition and Consumer Commission

Chair, Ms Gina Cass-Gottlieb

**Outcome 1** Enhanced welfare of Australians through enforcing laws that promote competition and protect consumers, as well as taking other regulatory and related actions including monitoring and market analysis, public education, determining the terms of access to infrastructure services, and discharging regulatory responsibilities governing energy markets and networks.

**Program 1.1** Australian Competition and Consumer Commission

**Program 1.2** Australian Energy Regulator

### Australian Office of Financial Management

Chief Executive Officer, Mr Robert Nicholl

**Outcome 1** The advancement of macroeconomic growth and stability, and the effective operation of financial markets, through issuing debt, investing in financial assets and managing debt, investments and cash for the Australian Government.

**Program 1.1** Australian Office of Financial Management

### Australian Prudential Regulation Authority

Chair, Mr Wayne Byres

**Outcome 1** Enhanced public confidence in Australia’s financial institutions through a framework of prudential regulation which balances financial safety and efficiency, competition, contestability and competitive neutrality and, in balancing these objectives, promotes financial system stability in Australia.

**Program 1.1** Australian Prudential Regulation Authority

### Australian Reinsurance Pool Corporation

Chair, Mr Ian Carson AM

**Purpose** To protect Australia from economic losses caused by terrorism catastrophe.

### Australian Securities and Investments Commission

Chair, Mr Joseph Longo

**Outcome 1** Improved confidence in Australia’s financial markets through promoting informed investors and financial consumers, facilitating fair and efficient markets and delivering efficient registry systems.

**Program 1.1** Australian Securities and Investments Commission

**Program 1.2** *Banking Act 1959, Life Insurance Act 1995*, unclaimed monies and special accounts

## Australian Taxation Office

Commissioner, Mr Chris Jordan AO

**Outcome 1** Confidence in the administration of aspects of Australia's taxation and superannuation systems through helping people understand their rights and obligations, improving ease of compliance and access to benefits, and managing non-compliance with the law.

**Program 1.1** Australian Taxation Office

**Program 1.2** Tax Practitioners Board

**Program 1.3** Australian Business Register

**Program 1.4** Australian Charities and Not-for-profits Commission

**Program 1.5** Australian Screen and Digital Game Production Incentive

**Program 1.6** Junior Minerals Exploration Incentive

**Program 1.7** Fuel Tax Credits Scheme

**Program 1.8** National Rental Affordability Scheme

**Program 1.9** Product Stewardship for Oil

**Program 1.10** Research and Development Tax Incentive

**Program 1.11** Low Income Superannuation Tax Offset

**Program 1.12** Private Health Insurance Rebate

**Program 1.13** Superannuation Co-contribution Scheme

**Program 1.14** Superannuation Guarantee Scheme

**Program 1.15** Targeted Assistance through the Taxation System

**Program 1.16** Interest on Overpayment and Early Payments of Tax

**Program 1.17** Bad and Doubtful Debts and Remissions

**Program 1.18** Seafarer Tax Offset

**Program 1.19** Economic Response to the Coronavirus

### Commonwealth Grants Commission

Secretary, Mr Jonathan Rollings

**Outcome 1** Informed Government decisions on fiscal equalisation between the States and Territories through advice and recommendations on the distribution of GST revenue.

**Program 1.1** Commonwealth Grants Commission

### Financial Adviser Standards & Ethics Authority Limited<sup>1</sup>

Chief Executive Officer, Mr Stephen Glenfield

**Purpose** Strengthen the professional and ethical standards of financial advisers through enhancing educational and training requirements and ethical standards to improve consumer outcomes.

### Inspector-General of Taxation

Inspector-General, Ms Karen Payne

**Outcome 1** Improved tax administration through investigation of complaints, conducting reviews, public reporting and independent advice to government and its relevant entities.

**Program 1.1** Inspector-General of Taxation

### National Competition Council

President, Ms Julie-Anne Schafer

**Outcome 1** Competition in markets that are dependent on access to nationally significant monopoly infrastructure, through recommendations and decisions promoting the efficient operation of, use of, and investment in infrastructure.

**Program 1.1** National Competition Council

<sup>1</sup> The Financial Adviser Standards and Ethics Authority Ltd ceased operations in December 2021

### National Housing Finance and Investment Corporation

Chair, Mr Adrian Harrington

**Outcome 1** Improved housing outcomes for Australians, including through financial and other assistance to improve the efficiency and scale of the community housing sector, as well as for critical infrastructure that increases housing supply.

### Office of the Auditing and Assurance Standards Board

Chair, Mr Bill Edge

**Outcome 1** The formulation and making of auditing and assurance standards that are used by auditors of Australian entity financial reports or for other auditing and assurance engagements.

**Program 1.1** Auditing and Assurance Standards Board

### Office of the Australian Accounting Standards Board

Chair, Dr Keith Kendall

**Outcome 1** The formulation and making of accounting standards that are used by Australian entities to prepare financial reports and enable users of these reports to make informed decisions.

**Program 1.1** Australian Accounting Standards Board

### Productivity Commission

Chair, Mr Michael Brennan

**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

## Reserve Bank of Australia

Governor, Mr Philip Lowe

**Purpose** In its role as Australia’s central bank, the Reserve Bank of Australia determines and implements monetary policy, fosters financial stability, undertakes a range of activities in financial markets, acts as a banker to the Australian Government, issues Australia’s banknotes and has policy, supervisory and operational roles in the payments system.

## Royal Australian Mint

Chief Executive Officer, Mr Leigh Gordon AO CSM

**Outcome 1** The coinage needs of the Australian economy, collectors and foreign countries are met through the manufacture and sale of circulating coins, collector coins and other minted like products.

**Program 1.1** Royal Australian Mint

