Australian Government
The Treasury

Annual Report 2024–25

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In the spirit of reconciliation, the Treasury acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples.

Letter of transmittal

24 September 2025

The Hon Jim Chalmers MP
Treasurer
Parliament House
CANBERRA ACT 2600

Dear Treasurer

Treasury Annual Report 2024–25

I present the Treasury annual report for the year ended 30 June 2025.

The annual report has been prepared in accordance with section 46 of the *Public Governance, Performance and Accountability Act 2013* and legislation administered by Treasury.

The report includes Treasury's audited financial statements as prepared under section 43 of the Act.

As required under section 10 of the Public Governance, Performance and Accountability Rule 2014, I certify that:

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

Yours sincerely

J. Wilkinson

Jenny Wilkinson PSM
Secretary to the Treasury

CC **The Hon Clare O'Neil MP**
Minister for Housing, Minister for Homelessness, Minister for Cities

The Hon Dr Anne Aly MP
Minister for Small Business, Minister for International Development, Minister for Multicultural Affairs

The Hon Dr Daniel Mulino MP
Assistant Treasurer, Minister for Financial Services

The Hon Dr Andrew Leigh MP
Assistant Minister for Productivity, Competition, Charities and Treasury

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Introduction and guide to the report

The Treasury Annual Report 2024–25 outlines performance against outcomes, program and performance information contained in the:

- Portfolio Budget Statements 2024–25
- Portfolio Additional Estimates Statements 2024–25
- Portfolio Supplementary Estimates Statements 2024–25
- Treasury Corporate Plan 2024–25.

A comprehensive annual report for the Takeovers Panel is available at takeovers.gov.au.

Part 1 Details Treasury's role, functions, senior management structure, organisational structure and portfolio structure.

Part 2 Provides an analysis of performance against Treasury's policy and program outcomes.

Part 3 Reports on management and accountability issues as required under the annual report guidelines.

Part 4 Presents the audited financial statements of Treasury as required under the annual report guidelines.

Part 5 Includes other information as required under the annual report guidelines, and as required by other legislation.

This report concludes with a glossary, a list of abbreviations and acronyms, and an index.

Other sources of information

Treasury releases information on its activities through publications, media releases, speeches, reports and the annual report. Treasury publications are available on its website: treasury.gov.au.

Contact details

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Part 1
Overview

Secretary's review

I am pleased to present Treasury's Annual Report for 2024–25 – my first as Secretary to the Treasury after being appointed in June 2025. It is a privilege to lead an agency that plays such a pivotal role in public policy development and implementation, supported by a highly capable and dedicated workforce.

Overview

Over 2024–25, the Australian economy exhibited resilience while escalating trade tensions and conflict in several parts of the world made the international outlook more uncertain. The global economy is potentially facing the longest stretch of below-average growth since the early 1990s.

Domestically, inflation moderated substantially to return to the Reserve Bank of Australia target band. The labour market remained robust, with several structural changes continuing, such as the growing size of the care economy. This is occurring alongside greater use of data and digital technologies and the net zero transition, which continue to shape Australia's medium- and long-term economic and fiscal outlook.

Our work in 2024–25

Treasury's work supports the economy and the national interest. Our advice in 2024–25 focused on supporting the government's priorities to address cost-of-living pressures, build more houses, implement the Future Made in Australia agenda and strengthen the economy. With colleagues from the Department of Finance, we delivered the 2025–26 Budget and Mid-Year Economic and Fiscal Outlook and took on new responsibilities for establishing the Investor Front Door under the National Interest Framework.

The Prime Minister called the Federal Election shortly after the Budget. In accordance with the Charter of Budget Honesty, Treasury and the Department of Finance published the Pre-election Economic Fiscal Overview on 7 April 2025. Other significant publications this year included the 2024 Population Statement, which provided an update and insights on population and demographic trends in Australia and the Tax Expenditures and Insights Statement which aims to increase transparency around the impacts of tax expenditures and features of the tax system.

In 2025, Treasury has been monitoring the implications of tariffs announced by the new Trump Administration. This has included analysis on the global and domestic implications of the tariffs, informed by Treasury modelling of the implications for Australia and the global economy of different tariff scenarios.

Leading development of the *Future Made in Australia Act 2024* and the Scams Prevention Framework were significant achievements. Treasury supported the delivery of Australia's mandatory climate-related financial disclosure regime, which commenced on 1 January 2025. We worked across government to establish tax incentives for green hydrogen and critical minerals processing.

We were responsible for 24 Bills containing 55 measures throughout 2024–25. The Senate passed 17 Treasury bills in November 2024. This included laws on Buy Now Pay Later, global and domestic minimum tax rules for large multinational enterprises, and significant changes to Australia's merger laws.

We expanded our role in housing. We supported Housing Australia to deliver the first 2 rounds of the Housing Australia Future Fund. We worked on legislation to improve and extend the Home Guarantee Scheme and continued to oversee the Social Housing Accelerator. The National Housing Supply and Affordability Council delivered its second annual State of the Housing System report.

In administering Australia's foreign investment framework, we streamlined assessments of low-risk foreign investment to reduce processing times. We launched an online investor portal to support faster decision making. We strengthened scrutiny of high-risk investment, including initiating court action under the foreign investment framework for the first time. We continued to deliver the international tax treaties program, including a new treaty with Slovenia.

We helped the government respond to the Statutory Review of the *Payment Times Reporting Act 2020* by reforming the Payment Times Reporting Scheme, including the delivery of new online infrastructure.

Treasury participated in several international forums. We supported the Treasurer's attendance at the G20, International Monetary Fund and World Bank annual meetings in the United States, at the Pacific Islands Forum Economic Ministers Meeting in Suva, and as co-chair of the first Australia-China Strategic Economic Dialogue since 2017. The government partnering with Australian banks to help maintain banking services in the Pacific was a positive outcome.

Our cooperation with states and territories resulted in significant developments. Commonwealth, state, and territory treasurers agreed to revitalise National Competition Policy, launching a 10-year reform agenda backed by a $900 million National Productivity Fund. Separately, Treasury's advice supported the Council on Federal Financial Relations to deliver on public hospital funding and health reform arrangements to 30 June 2026. Treasury delivered Australia's first National Small Business Strategy, a joint initiative between governments.

Treasury worked alongside our network of portfolio agencies. This included supporting reforms to modernise the Reserve Bank of Australia. We contributed to the Productivity Commission's updated Statement of Expectations. We assisted the independent review of the Australian Small Business and Family Enterprise Ombudsman. In 2024, Treasury celebrated the Australian Government Actuary as it reached a significant milestone – 100 years of service.

Engagement was central to the Australian Centre for Evaluation's work. It continued to promote an evaluation culture across the public service. Highlights included a review of randomised trials in Australian public policy and co-hosting an OECD evaluation workshop.

People and performance

In 2024–25, Treasury published a Strategic Workforce Plan for 2024–30 to improve our workforce capabilities and management practices. This strategy will ensure the department can attract, develop and retain the skills we need.

We launched a new Digital and Cyber Security Strategy and our first Enterprise Data Strategy. These plans allow us to get the most out of technology investments and improve our data capability and governance.

This year, we delivered active bystander training, cultural capability training, a program for emerging Executive Level (EL) leaders, and 360-degree feedback processes for our Senior Executive Service (SES). Staff participated in many wellbeing, inclusion and diversity network events such as STEPtember, Safe Work Month, World Mental Health Day, International Day of People with Disability and NAIDOC week.

Our focus on people and performance delivered pleasing results. Treasury's Australian Public Service (APS) Employee Census results were among the most positive in the public service. Our staff are highly engaged, motivated, and deeply committed to our purpose.

Treasury was awarded bronze tier status in the 2025 Australian Workplace Equality Index. We achieved our gender parity target for female representation in the SES level. At 30 June 2025, women made up 52.1 per cent of the SES cohort, inclusive of higher duties arrangements.

Prosple Australia named Treasury in the Top 100 Graduate Employers for the first time. We ranked 11th in the government and public service category. This was terrific recognition of our graduate program and the experiences of the current cohort of 44 graduates.

Treasury took on new and expanded functions during the year. Following machinery of government changes, 150 staff joined the department. Responsibility for homelessness, construction, cities and planning functions transferred to Treasury from 3 departments. This expanded our existing role in supporting the government's housing initiatives. We also became responsible for bankruptcy, personal property securities and consumer credit reporting functions. We were delighted to welcome our new staff and will continue to embed these new areas over the coming months.

The year ahead

We look forward to supporting the government's policy agenda following the Economic Reform Roundtable. This includes providing the evidence base and economic frameworks for policy that boosts productivity, strengthens our resilience and improves budget sustainability. We will consult with the states and territories on further steps towards creating a single national market, road-user charging, reducing tariffs and reforming the National Construction Code.

We will support the government to deliver a tax cut for all taxpayers (announced in the 2025–26 Budget), introduce a $1,000 instant tax deduction and extend the $20,000 Instant Asset Write Off. We will pilot the services of the Investor Front Door and advise on its long-term design. Treasury will continue to provide modelling to support the pathway to net zero.

In the competition and consumer space, Treasury will advise the government on an excessive pricing regime for supermarkets. We will work on addressing unfair trading practices and enhancing the effectiveness of consumer guarantees protections. Work will continue on non-compete clauses and a national licensing scheme to allow electricians to work seamlessly across borders.

Treasury will expand its support for the government's housing plan. We will establish the Help to Buy program and work with state and territory governments to build more homes for first home buyers and streamline building approvals. We will support measures to accelerate the uptake of modern construction methods.

Acknowledgements

2024–25 has been a year full of achievements for Treasury, and I acknowledge the outstanding leadership of Steven Kennedy who has been Secretary to the Treasury for the past 6 years until he finished on 16 June 2025. Steven navigated an increasingly complex and uncertain economic environment during his time as Secretary. This year was no exception.

I also acknowledge all Treasury staff for their commitment and contributions. I am impressed by the capability and dedication of the people who work here. I look forward to leading the department into its 125th year in 2025–26.

Jenny Wilkinson PSM
Secretary to the Treasury

1

Department overview

Treasury is the government's lead economic adviser

Treasury provides economic analysis and policy advice on many issues including the economy, Budget, taxation, financial sector, foreign investment, competition, market conduct, superannuation, small business, housing and international economic policy.

We anticipate and analyse policy issues, taking a whole-of-economy perspective, understand government and stakeholder circumstances, and respond rapidly to changing events and directions. Treasury works with state and territory governments on key policy areas, as well as managing federal financial relations. The economic environment in which we operate is highly complex and subject to significant uncertainty. Within this environment, we advise the government on reforms to boost productivity, promote well-functioning markets and ensure the tax system remains equitable and supports the government's fiscal strategy.

Our purpose under the Treasury Corporate Plan 2024–25 is to:

Provide advice to the government and implement policies and programs to achieve strong and sustainable economic and fiscal outcomes for Australians.

There were several leadership changes in Treasury during 2024–25. Sam Reinhardt, Deputy Secretary, Fiscal Group, was appointed Parliamentary Budget Officer in November 2024. Luke Yeaman, Deputy Secretary, Macroeconomic Group, left Treasury in December 2024 to take up a position as Chief Economist at the Commonwealth Bank of Australia. Brenton Philp, Deputy Secretary Markets Group, transferred to the Department of Veterans' Affairs as Deputy Secretary and Chief Operating Officer from March 2025.

At the end of 2024, Roxanne Kelley PSM, Deputy Secretary, International and Foreign Investment Group, retired after nearly 42 years of public service. Roxanne joined Treasury in 2020 and led the professionalisation of our corporate and governance functions as well as strengthening a risk-based approach to foreign investment.

Treasury's Executive Board welcomed 3 new permanent Deputy Secretaries in 2024–25. Damien White was promoted to Deputy Secretary, Markets Group in February 2025. James Kelly was promoted to Deputy Secretary, Markets Group in March 2025. In April 2025, Dr Angelia Grant was promoted to Deputy Secretary, Macroeconomic Group, from the Department of the Prime Minister and Cabinet.

In May 2025 Treasury received additional functions for housing and homelessness policy, cities policy, personal insolvency and bankruptcy. As a result, 150 staff from the Attorney-General's Department, the Department of Social Services, the Department of Industry and Resources and the Department of Infrastructure, Transport, Regional Development, Communications, Sport, and the Arts joined Treasury. On 19 May 2025 the Secretary established a new Housing Group to support delivery of the government's priorities in housing and homelessness.

Figure 1 shows Treasury's organisational structure at 30 June 2025. Treasury's accountable authority is the Secretary. During the 2024–25 reporting period, Dr Steven Kennedy PSM occupied the position from 1 July 2024 to 16 June 2025. Ms Jenny Wilkinson PSM was appointed to the position on 16 June 2025.

Figure 1: Treasury Group senior management at 30 June 2025

Secretary
Jenny Wilkinson PSM

Fiscal Group

Deputy Secretary
Damien White

Budget Policy Division
First Assistant Secretary: Philippa Brown PSM

First Nations and Commonwealth-State Relations Division
First Assistant Secretary: Marg Thomas

Labour Market, Environment, Industry and Infrastructure Division
First Assistant Secretary: Trevor Power

Social Policy Division
First Assistant Secretary: Anthea Long

Housing Group

Deputy Secretary
Kerren Crosthwaite
(A/g) Vacant Position

Housing and Homelessness Division
Nerida Hunter

Housing Supply and Cities Division
Nicholas Dowie *(A/g)*

International and Foreign Investment Group

Deputy Secretary

Katrina Di Marco

(A/g) Vacant Position

Foreign Investment Division
First Assistant Secretary: Christopher Tinning

International Economics and Security Division
First Assistant Secretary: Justin Baguley *(A/g)*

National Interest Framework Division
First Assistant Secretary: Mohita Zaheed

Overseas operations

Beijing: David Osborne

Indonesia Ministry of Finance: Amy Leaver *(A/g)*

Jakarta: Cosimo Thawley

London: John Swieringa

New Delhi: Katherine Tuck

OECD Paris: Peter Johnson

Port Moresby: Dougal Robinson

Tokyo: Andrew Deitz

Washington: Vera Holenstein

Macroeconomic Group

Deputy Secretary

Dr Angelia Grant

Climate and Energy Division
First Assistant Secretary: Alex Heath

Macroeconomic Analysis and Policy Division
First Assistant Secretary:
Nathan Deutscher *(A/g) Shane Johnson*

Macroeconomic Conditions and Population Division
First Assistant Secretary: Adam Cagliarini

Markets Group

Deputy Secretary
James Kelly

Australian Government Actuary
First Assistant Secretary: Guy Thorburn

Competition Taskforce Division
First Assistant Secretary: Jason McDonald

Digital, Competition and Payments Division
First Assistant Secretary: Tony McDonald *(A/g)*

Financial System Division
First Assistant Secretary: Lynn Kelly

Market Conduct Division
First Assistant Secretary: Aidan Storer *(A/g)*

Revenue Group

Deputy Secretary
Diane Brown

Corporate and International Tax Division
First Assistant Secretary: Marty Robinson

Personal and Indirect Tax and Charities Division
First Assistant Secretary: Laura Berger-Thomson

Retirement Advice and Investment Division
First Assistant Secretary: Neena Pai

Tax Analysis Division
First Assistant Secretary: Louise Rawlings

Board of Taxation Secretariat
Assistant Secretary: Paul Korganow

Small Business, Corporate and Law Group

Deputy Secretary
Victoria Anderson

Corporate Division
Chief Operating Officer: Fiona McSpeerin

Law Division
First Assistant Secretary: Erin Wells

Small and Family Business Division
First Assistant Secretary: Anthony Seebach

State offices

Melbourne Office Head: Kylie Bourke

Sydney Office Head: Christian Vallence

Perth Office Head: Anastasia Phylactou *(A/g)*

Portfolio overview

The Treasury portfolio undertakes activities in line with its Portfolio Budget Statement outcome. Treasury's outcome is 'supporting and implementing informed decisions on policies for the good of the Australian people, including for achieving strong, sustainable economic growth'. This requires providing advice to Treasury ministers and the efficient administration of Treasury's portfolio functions.

Portfolio ministers

Ministers appointed to the Treasury portfolio during the reporting period 2024–25:

The Hon Jim Chalmers MP

Treasurer

The Hon Clare O'Neil MP

Minister for Housing, Minister for Homelessness (from 29 July 2024)
Minister for Cities (from 13 May 2025)
Minister for Home Affairs, Minister for Cyber Security (to 29 July 2024)

The Hon Dr Anne Aly MP

Minister for Small Business, Minister for International Development,
Minister for Multicultural Affairs (from 13 May 2025)

The Hon Julie Collins MP

Minister for Agriculture, Fisheries and Forestry,
Minister for Small Business (29 July 2024 to 13 May 2025)
Minister for Housing, Minister for Homelessness,
Minister for Small Business (1 July to 29 July 2024)

The Hon Dr Daniel Mulino MP

Assistant Treasurer, Minister for Financial Services (from 13 May 2025)

The Hon Stephen Jones MP

Assistant Treasurer, Minister for Financial Services (retired 13 May 2025)

The Hon Dr Andrew Leigh MP

Assistant Minister for Productivity, Competition, Charities and Treasury (from 13 May 2025)
Assistant Minister for Competition, Charities and Treasury,
Assistant Minister for Employment (1 July 2024 to 13 May 2025)

Table 1: Ministerial acting arrangements during 2024–25

Minister	Dates	Acting Minister
The Hon Jim Chalmers MP	31 July to 2 August 2024	Senator the Hon Katy Gallagher
The Hon Julie Collins MP	24 August to 6 September 2024	The Hon Dr Andrew Leigh MP (Minister for Small Business) Senator the Hon Anthony Chisholm (Minister for Agriculture, Fisheries and Forestry)
The Hon Clare O'Neil MP	29 August to 30 August 2024	The Hon Bill Shorten MP
The Hon Jim Chalmers MP	25 September to 28 September 2024	Senator the Hon Katy Gallagher
The Hon Jim Chalmers MP	23 October to 27 October 2024	Senator the Hon Katy Gallagher
The Hon Julie Collins MP	13 November to 16 November 2024	The Hon Dr Andrew Leigh MP (Minister for Small Business) Senator the Hon Anthony Chisholm (Minister for Agriculture, Fisheries and Forestry)
The Hon Stephen Jones MP	15 December to 17 December 2024	The Hon Jim Chalmers MP
The Hon Stephen Jones MP	23 December 2024 to 3 January 2025	The Hon Jim Chalmers MP
The Hon Clare O'Neil MP	4 January to 5 January 2025	The Hon Stephen Jones MP (Treasury portfolio) The Hon Amanda Rishworth MP (Social Services portfolio)
The Hon Stephen Jones MP	6 January to 12 January 2025	The Hon Jim Chalmers MP
The Hon Clare O'Neil MP	6 January to 13 January 2025	The Hon Amanda Rishworth MP
The Hon Julie Collins MP	13 January to 20 January 2025	The Hon Dr Andrew Leigh MP (Minister for Small Business) Senator the Hon Anthony Chisholm (Minister for Agriculture, Fisheries and Forestry)
The Hon Jim Chalmers MP	23 February to 27 February 2025	Senator the Hon Katy Gallagher
The Hon Stephen Jones MP	24 February to 1 March 2025	The Hon Clare O'Neil MP (24 to 27 February) The Hon Jim Chalmers MP (28 February to 1 March)

Minister	Dates	Acting Minister
The Hon Dr Anne Aly MP	28 June to 4 July 2025	Senator the Hon Katy Gallagher (Minister for Small Business) The Hon Tony Burke MP (Minister for Multicultural Affairs) Senator the Hon Tim Ayres (Minister for International Development)
The Hon Jim Chalmers MP	28 June to 6 July 2025	Senator the Hon Katy Gallagher

Information about ministerial acting arrangements is published quarterly on the Department of Prime Minister and Cabinet website at www.pmc.gov.au/government/administration/acting-ministerial-arrangements.

Portfolio structure

The Australian Financial Security Authority transferred from the Attorney-General's portfolio to the Treasury portfolio on 13 May 2025. As of 30 June 2025, the Treasury portfolio comprised 17 entities in the general government sector, including:

- The Australian Bureau of Statistics
- Australian Financial Security Authority
- Australian Competition and Consumer Commission
- Australian Office of Financial Management
- Australian Prudential Regulation Authority
- Australian Reinsurance Pool Corporation
- Australian Securities and Investments Commission
- The Australian Taxation Office
- Commonwealth Grants Commission
- Housing Australia
- Inspector-General of Taxation
- National Competition Council
- Office of the Auditing and Assurance Standards Board
- Office of the Australian Accounting Standards Board
- Productivity Commission
- Reserve Bank of Australia
- Royal Australian Mint

Table 2: Treasury outcome and program structure at 30 June 2025

Outcome 1: 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.

Program 1.1: Department of the Treasury
Program 1.2: International Financial Relations
Program 1.3: Support for markets and business
Program 1.4: Commonwealth-State Financial Relations

Part 2
Report on performance

Annual Performance Statements 2024–25

Statement of preparation

I, as the Accountable Authority of the Department of the Treasury, present the Annual Performance Statements 2024–25 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 2025, assessed against the purpose, key activities and performance measures relevant to the Treasury published in:

- the Department of the Treasury 2024–25 Corporate Plan (Corporate Plan 2024–25)
- 2024–25 Portfolio Budget Statements – the Department of the Treasury (PBS 2024–25).

In accordance with subsection 17J of the PGPA Rule, these statements include reporting for performance measures transferred to Treasury through the machinery of government changes on 13 May 2025.

Jenny Wilkinson PSM
Secretary to the Treasury

24 September 2025

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 2024–25, Treasury achieves our purpose through our key activities:

- **Key activity 1:** Treasury's policy advice and analysis is impactful, informed and influential
- **Key activity 2:** Treasury's implementation of policies and regulation supports Australia's economy and national interest
- **Key activity 3:** Treasury's external engagements enable implementation of the government's economic and fiscal agenda.

In 2024–25, Treasury used 12 performance measures across the 3 key activities of the Corporate Plan 2024–25 to assess performance against the activities undertaken to achieve our purpose.

Treasury made no amendments to performance information published in the Corporate Plan 2024–25.

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 2024 to 30 June 2025. The statements provide a clear read of Treasury's performance over the financial year against the key activities and performance measures in the Corporate Plan 2024–25 and 2024–25 Portfolio Budget Statements (PBS).[1]

Treasury achieved, substantially achieved, or partially achieved 12 of the 12 performance measures.

- Performance measures 1, 2, 3, 4, 6, 7, 8, 11 and 12 were achieved.
- Performance measure 13 was substantially achieved.
- Performance measures 5 and 9 were partially achieved.

A summary of achievement against the activities and performance measures is provided on pages 25 to 27. A detailed assessment of achievement and analysis for individual performance measures is presented on pages 28 to 81.

Key activity 1: Treasury's policy advice and analysis is impactful, informed and influential

Advice and analysis provided by Treasury to our ministers is a key component of achieving our purpose. The quality of Treasury's advice to portfolio ministers (performance measure 1) was assessed using a structured feedback questionnaire. Our policy advice was rated highly by Treasury ministers or their representatives.

Treasury has a strong track record of shaping government decisions through policy advice on economic and demographic implications. Our policy advice supported high-profile government measures, including personal income tax cuts. It also assisted in whole-of-government efforts to advise the government on the Net Zero Plan, and the design and delivery of multiple programs and regulatory functions, including supporting the growth and resilience of small businesses.

Ministerial feedback described Treasury's advice as robust, well-regarded, thoughtful, influential and providing a broad perspective on the issues. Treasury's senior executives will discuss the feedback, and the results will be used to improve performance. Treasury is reporting that performance measure 1 is achieved for the ministerial feedback questionnaire.

1 Performance information in the 2024–25 Portfolio Budget Statements was updated through the Corporate Plan 2024–25.

Treasury consulted across government on policy matters and used a stakeholder survey to assess the quality of our policy advice (performance measure 1). Survey results for the Australian Government stakeholders significantly improved from 2023–24 to report this measure as achieved. There were improvements in stakeholder feedback for Treasury's international economic, climate and energy, macroeconomic, fiscal, foreign investment, financial systems and superannuation policy advice and our advice on the development of legislation. Treasury has continued to improve the framework for the stakeholder survey by including the National Interest Framework, which is part of our expanding role.

Treasury's policy advice is supported by forecasting and analysis. This included economic and demographic forecasts for the 2024–25 Mid-Year Economic and Fiscal Outlook (MYEFO) and the 2025–26 Budget. We use forecasting for Gross Domestic Product and total tax receipts (excluding company tax) against actual outcomes as part of the budget papers in performance measures 2 and 3. These performance measures have been achieved in 2024–25.

Treasury focuses on the timely delivery of budget documents (performance measure 4), including transparency on the Commonwealth Budget position. These publications are the outcomes of Treasury's policy advice, analysis, forecasting, and broad consultation with government and external stakeholders. The legislative requirements and timeframes for these publications are outlined in the *Charter of Budget Honesty Act 1998* (Charter).

This reporting period covered the Federal Election and publication of the 2025 Pre-election Economic and Fiscal Outlook. The 2023–24 Final Budget Outcome, 2024–25 MYEFO and 2025–26 Budget were also released. Performance measure 4 was achieved. Treasury also delivered the 2025–26 Women's Budget Statement on 25 March 2025 as part of the budget documents, although this is not a Charter requirement.

Key activity 2: Treasury's implementation of policies and regulation supports Australia's economy and national interest

Treasury implements policies through programs, legislation, taxation measures, regulatory functions in Treasury and consultation with portfolio regulators. A range of measures are used to assess our implementation, monitor changes in the market and provide an overall understanding of our policy outcomes. These measures relate to advice on the competitiveness of markets, stability of financial systems, international taxation, the management of our legislative program, foreign investment and payment times regulation.

Treasury is responsible for financial systems, investment, retirement incomes, provision of actuarial services, corporations, competition, and consumer data and law. Performance measure 5 assesses Australia's competitiveness in 2024–25 using data from the Institute for Management Development. The 2024–25 data is compared with the 2021–22 World Competitiveness Ranking data. Performance measure 5 assessed Australia as marginally less competitive in 2024–25 compared with 2023–24. As Australia did not meet the target this was a partially achieved result.

Treasury has worked with the Australian Prudential Regulation Authority to ensure there are no disorderly failures of prudentially regulated entities. In this way Treasury is supporting the financial stability of Australia (performance measure 6). Treasury monitored trends and economic activity in the financial system that could contribute to entity failures. Consistent with the previous year, there were no disorderly failures of prudentially regulated entities in 2024–25 and the performance measure was achieved.

The Pillar Two undertaxed profits rule was given domestic effect by primary and subordinate legislation in December 2024 (performance measure 7). This is the culmination of Treasury's concerted international engagement on the Organisation for Economic Co-operation and Development Inclusive Framework on Base Erosion and advice to the government. The implementation of this legislation reduces the incentives for large multinational entities to shift profits to low tax jurisdictions. Treasury is reporting that this measure has been achieved. As this measure is complete it will not be reported on in 2025–26.

The Treasury legislation program (performance measure 8) is a mechanism for delivering the government's priorities. The Parliamentary legislation implemented government policies and included reforms for taxation, regulation, and scam prevention. The *Future Made in Australia Act 2024* that passed by Parliament in December 2024 is another key legislative measure. Treasury delivered 97 per cent of legislative measures committed to during the reporting period and within sitting periods agreed with the government. Performance measure 8 is reported as achieved consistent with the prior reporting period.

Treasury is responsible for 2 regulatory functions: the foreign investment framework, and the Payment Times Reporting Scheme (performance measure 9). A stakeholder survey is used to assess Treasury's performance against the 3 principles of best practice regulation set out in Department of Finance guidance (RMG 128).

The assessment of regulatory performance through a stakeholder survey is challenging. Treasury continued to implement reforms for the foreign investment framework during the period. The Payment Times Reporting Regulator commenced implementation of major regulatory reforms that brought significant changes to the framework. These framework changes may have influenced survey responses. The foreign investment framework and the Payment Times Reporting Scheme reported a partially achieved result.

Key activity 3: Treasury's external engagements enable implementation of the government's economic and fiscal agenda

Treasury's external engagement through international and state agreements, consultation on policy, economic modelling, programs and legislation, informs and enables our key activities. A ministerial feedback questionnaire and stakeholder survey were used to assess working relationships with Treasury ministers, portfolio agencies, Australian Government entities, and external stakeholders (performance measure 11).

Treasury ministers or their representatives gave positive feedback. The results are consistent with prior years. Feedback included improvements to stakeholder consultation and good coverage of third-party perspectives. Treasury is reporting that performance measure 11 is achieved for the ministerial feedback questionnaire.

A high proportion of Treasury's collaboration focused on policy development and reforms, regulation, legislation and program delivery. Consultation occurred on Treasury's modelling and forecasting activities and on budget, fiscal and economic updates, superannuation member services and key elements of the government's retirement reforms. Treasury's work with states and territories included the delivery of the government's housing agenda and revitalising national competition policy.

Stakeholders from the Australian Government, states and territories and non-government organisations, including peak bodies and those from the not-for-profits sector, were surveyed for performance measure 11. Stakeholder responses were positive, and this performance measure was achieved.

Treasury works with stakeholders to effectively administer spending arrangements under legislation and agreements. All payments to international financial institutions (performance measure 12) were administered within legislative requirements and agreements, and this measure was achieved. Payments were made to the World Bank, the European Bank for Reconstruction and Development and the International Monetary Fund.

Performance measure 13 assesses payments to states and territories administered in accordance with the *Intergovernmental Agreement on Federal Financial Relations* and other relevant agreements. The payments to states and territories provide Commonwealth funding for health services, skills and workforce development, housing, homelessness and affordable housing, energy bill relief, education, infrastructure and environment to support the government's agenda. This measure was substantially achieved.

Performance summary 2024–25

Key activity 1: Treasury's policy advice and analysis is impactful, informed and influential

Performance measure	2024–25 target	Performance achieved
Performance measure 1 Proportion of Treasury ministers, key government entities and stakeholders that rate Treasury advice highly.	83% Ministerial feedback questionnaire	**Achieved**
	80% Stakeholder survey	**Achieved**
Performance measure 2 Variance between actual real Gross Domestic Product (GDP) and forecast real GDP.	Real GDP falls within 70% confidence interval of forecast real GDP.	**Achieved**
Performance measure 3 Variance between actual total tax receipts (excluding company tax) and forecast.	Total tax receipts (excluding company tax) for 2024–25 falls within 70% confidence interval of forecast at the 2024–25 Budget.	**Achieved**
Performance measure 4 Delivered in line with the requirements of the *Charter of Budget Honesty Act 1998* (Charter).	100%	**Achieved**

Key activity 2: Treasury's implementation of policies and regulation supports Australia's economy and national interest

Performance measure	2024–25 target	Performance achieved
Performance measure 5 Australia maintains or improves its 2022 score on markets related inputs to the World Competitiveness Ranking produced by the Institute for Management Development.	Competitiveness score >105	**Partially achieved**
Performance measure 6 No disorderly failures of institutions prudentially regulated in Australia.	No disorderly failures of prudentially regulated institutions.	**Achieved**
Performance measure 7 Treasury contributes to the development of the Organisation for Economic Co-operation and Development Inclusive Framework on Base Erosion and Profit Shifting Action 1.	Australia implements legislation to give domestic effect to the undertaxed payments rule under Pillar Two in accordance with the progress and timelines of the OECD (subject to government decision to implement the pillars).	**Achieved**
Performance measure 8 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 actual number delivered.	91%	**Achieved**
Performance measure 9 Proportion of stakeholders that report a high level of satisfaction regarding: • the clarity, transparency, and consistent application of Treasury's regulatory frameworks (Regulator Performance (RMG 128) Principle 1) • risk-based, data-driven decision making (RMG 128 Principle 2) • Treasury's responsive communication and collaboration (RMG 128 Principle 3)	65% Foreign Investment Framework	**Partially achieved**
	65% Payment Times Reporting Scheme	**Partially achieved**
Performance measure 10 Treasury has removed performance measure 10 for the Payment Times Reporting Regulator from the Corporate Plan 2024–25 and will not report on performance in the 2024–25 period.	Not applicable	**Not applicable**

Key activity 3: Treasury's external engagements enable implementation of the government's economic and fiscal agenda

Performance measure	2024–25 target	Performance achieved
Performance measure 11 Proportion of Treasury ministers, Treasury portfolio agencies and regulators, and key stakeholders that highly rate working with the Treasury.	80% Ministerial feedback questionnaire	**Achieved**
	80% Stakeholder survey	**Achieved**
Performance measure 12 Proportion of payments to international financial institutions are transferred within legislated requirements and agreements.	100%	**Achieved**
Performance measure 13 Proportion of payments to the states are delivered within requirements of the Intergovernmental Agreement on Federal Financial Relations and other relevant agreements between the Commonwealth and the states.	100%	**Substantially achieved**

Key activity 1 – Treasury's policy advice and analysis is impactful, informed and influential

Intended result 1.1

Treasury's policy advice, including economic and fiscal policy advice, reflects a whole of economy view.

Performance measure 1

Proportion of Treasury ministers, key government entities and stakeholders that rate Treasury advice highly.[a]

Methodology	Independent stakeholder survey with key government entities and stakeholders conducted by a third-party provider, and structured interviews with Treasury ministers or their delegates. The assessment of the ministerial feedback questionnaire will be weighted so that the Treasurer's responses account for 50% of the overall percentage measure. Stakeholder selection is governed by transparent stakeholder selection rules.
Target	**Ministerial feedback questionnaire:** 83% **Stakeholder survey:** 80%
Data sources	Stakeholder lists and responses to the annual stakeholder feedback survey and the ministerial feedback questionnaire from Treasury ministers or their delegates.
Source	PBS Program 1.1 – Department of the Treasury Corporate Plan 2024–25
Performance achieved 2024–25	**Ministerial feedback questionnaire: Achieved** 100% of Treasury ministers or their delegate provided overall ratings in the high-performance range.[b] Achieved means ≥83% of Treasury ministers or their delegate provide 'High' overall rating. **Stakeholder survey: Achieved** 84% of survey respondents provided overall ratings in the high-performance range. Achieved means ≥80% of survey respondents provide 'High' overall rating.

Performance achieved over time	In 2023–24 and 2022–23 Treasury reported a result of achieved for the ministerial feedback questionnaire. All Treasury ministers or their delegates provided overall ratings in the high-performance range. In 2023–24, Treasury reported a result of partially achieved for the stakeholder survey with 74% of survey respondents providing a 'High' overall rating. In 2022–23, Treasury reported a result of not achieved for the stakeholder survey as 69% of survey respondents provided a 'High' overall rating. In 2021–22, Treasury reported it achieved an effectiveness result of 95% from Treasury ministers or their chiefs of staff and 85% from key stakeholders. The performance measure assessed the impact of Treasury's policy advice.[c]

a) Key stakeholders involved in the survey are senior executives in other Australian Government entities who dealt with Treasury in the past year (1 April 2024 – 31 March 2025).

b) The 'High' overall rating is the average of responses classified as 3.51 to 5.00 out of 5.00 in accordance with the Approach to Calculating Policy Advice detailed in Part 5 – Appendices – Methodology for the Annual Stakeholder Survey.

c) In 2021–22, the effectiveness result was survey respondents' rating of Treasury against set questions as an indicator of effectiveness and is not directly comparable with the 2022–23, 2023–24 and 2024–25 results.

Analysis

Treasury used structured interviews with Treasury ministers or their representatives and surveyed stakeholders to assess its policy advice performance. Treasury engaged an external provider to develop and report on the ministerial feedback questionnaire and the stakeholder survey. All 5 ministerial interviews were conducted between January and March 2025, prior to the Federal Election (interviews usually occur between May and June).[2] A Treasury deputy secretary conducted the interviews, and the external provider attended as an objective observer and note taker.

Treasury introduced a policy advice matrix to the ministerial questionnaire and survey in 2022–23 to assess the extent to which its policy advice is informed, influential and impactful.[3] The matrix provides a more structured and comprehensive assessment of Treasury's advice.

Performance feedback from Treasury ministers and stakeholders is reported separately in this analysis.

2 Interviews were not conducted during the Federal Election. Treasury requires ministers to be in office for a minimum of 90 days to participate in the ministerial feedback questionnaire.

3 The application of the policy advice matrix is detailed in Part 5 – Appendices – Methodology for the Annual Stakeholder Survey.

Ministerial feedback questionnaire

The performance target has been achieved.

The ministerial interviews achieved a 100 per cent response rate and a performance result of 100 per cent. Treasury interviewed ministers or their representatives to complete the ministerial feedback questionnaire.[4] The Assistant Treasurer and Minister for Financial Services and the Assistant Minister for Competition, Charities and Treasury participated in the interview personally. The Minister for Agriculture, Fisheries and Forestry and Minister for Small Business was represented by their deputy chief of staff, and the Minister for Housing, Minister for Homelessness was represented by their chief of staff and senior adviser. The Treasurer was represented by their chief of staff.

Ministerial feedback described Treasury's advice as evidence based and providing a broad perspective on issues. This included housing policy advice that considered macroeconomic perspectives and tax policy advice that provided an industry perspective. Treasury's analytical capability and use of longitudinal data was also identified as important by our ministerial stakeholders.

The ministerial feedback questionnaire used 3 criteria to assess Treasury's performance. All ministerial stakeholders indicated that Treasury's advice was informed, influential and impactful (100 per cent of ministerial stakeholders rated Treasury highly in each of these aspects). This result is consistent with the unanimously high overall ratings provided by ministerial stakeholders in 2023–24.

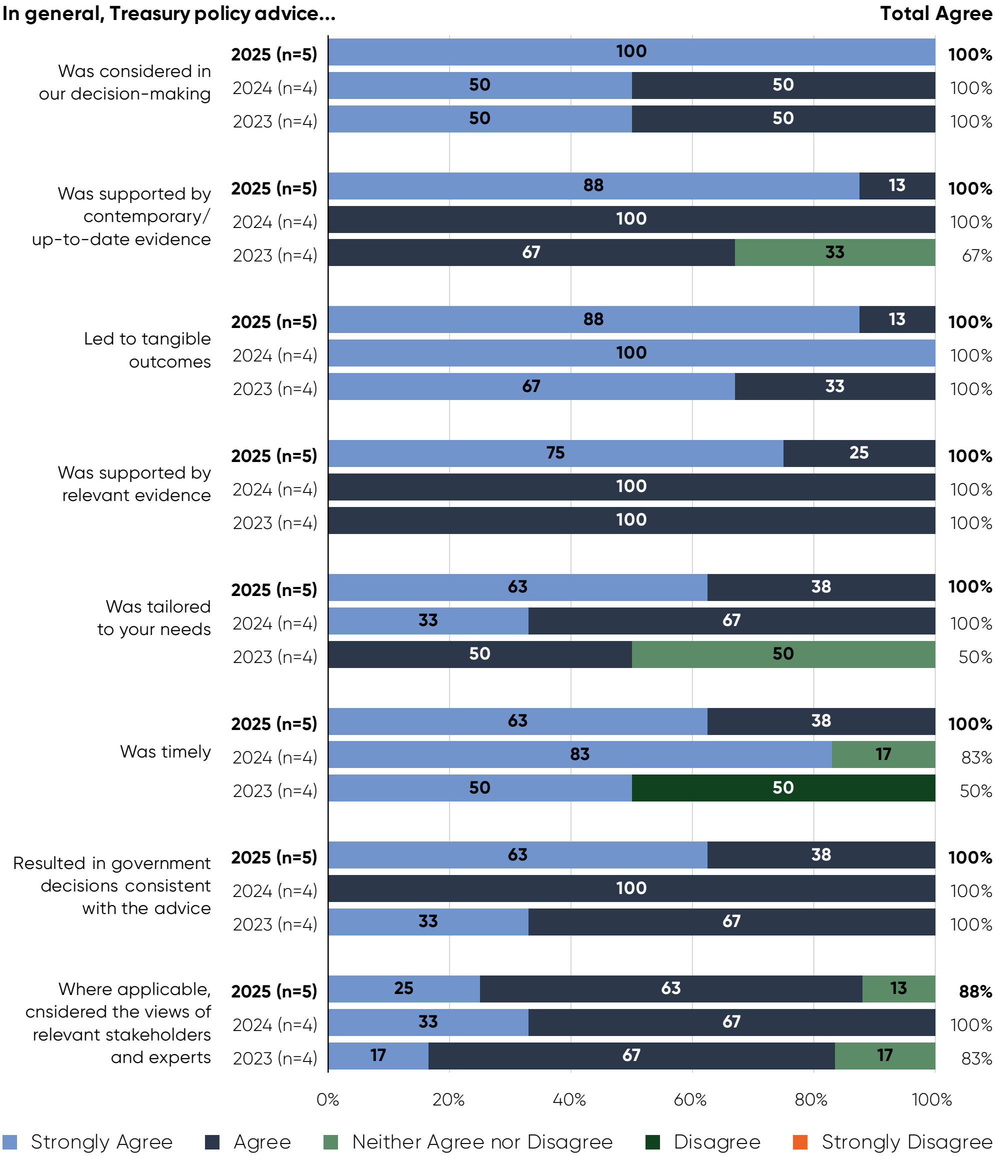
In 2024–25, all ministerial stakeholders were favourable in their assessments of nearly all aspects of Treasury's policy advice. Ministerial stakeholders strongly agreed that Treasury's policy advice was considered in their decision making (100 per cent strongly agreed compared to 50 per cent 2023–24) was supported by contemporary and up-to-date evidence (100 per cent agreed and strongly agreed compared to 100 per cent agreement in 2023–24) and part of the process leading to tangible outcomes (100 per cent, including 88 per cent that strongly agreed, in line with 100 per cent strong agreement in 2023–24).

All ministerial stakeholders agreed Treasury's advice was supported by relevant evidence, timely, and resulted in government decisions consistent with the advice. Agreement was stronger than in 2023–24. Perceptions that Treasury's policy advice considered the views of relevant stakeholders and experts was slightly lower compared to 2023–24 (88 per cent agreed and 13 per cent provided a neutral response).

The 2024–25 results present a consistent improvement in Treasury's policy advice over the 3 reporting periods commencing in 2022–23.

4 The ministerial feedback questionnaire asked ministers to rate specific aspects or attributes of Treasury's policy advice on a 5-point 'agreement' rating scale. The individual attribute ratings provided by ministers were aggregated to derive numerical scores that indicate 'high', 'moderate' and 'low' performance in each area, as well as 'overall' (the average of ratings for each area).

Figure 2: Summary of performance results of ministerial interviews



Base: All ministerial stakeholders

As the Treasurer is the senior minister, and the high volume of interactions with the Treasurer and policy coverage, the survey ratings of the Treasurer (or representative) were weighted more highly than those of other ministers. The weighting formula had the effect that the Treasurer's responses accounted for 50 per cent of the aggregate performance results derived from the survey.

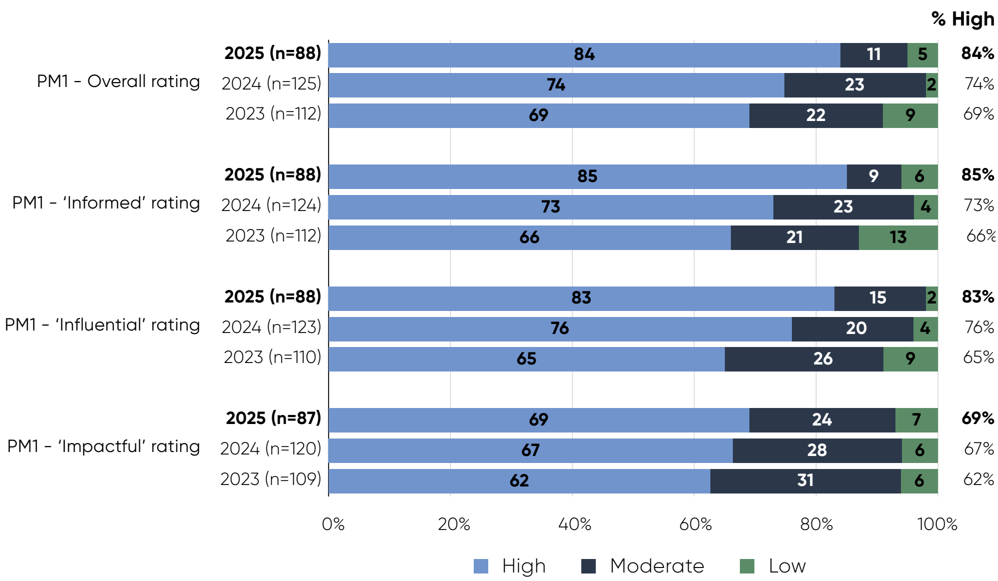
Stakeholder survey

The performance target has been achieved.

Treasury invited 421 Australian Government entity stakeholders to participate in the survey. This is an increase from 403 in 2023–24. The survey had a response rate of 23 per cent and achieved a performance result of 84 per cent.[5] This is a consistent improvement from 74 per cent achieved in 2023–24 and 69 per cent in 2022–23. A small proportion (11 per cent, down from 23 per cent in 2023–24) provided moderate ratings, while a smaller proportion (5 per cent, up from 2 per cent in 2023–24) provided low ratings.

Perceptions of Treasury advice being 'informed' improved the most. High ratings increased to 85 per cent from 73 per cent in 2023–24 and is consistent with improvements made in 2022–23 (up from 66 per cent). This was followed by 'influential' at 83 per cent, an increase from 76 per cent in 2023–24 and 65 per cent in 2022–23. Ratings for 'impactful' were 69 per cent, an increase from 67 per cent in 2023–24 and from 62 per cent in 2022–23. Out of the 3 criteria, stakeholders were least likely to perceive Treasury's advice as 'impactful'.

Figure 3: Average ratings of stakeholder feedback for the 3 policy criteria



Base: Australian Government entity stakeholders who saw Treasury's policy advice to government

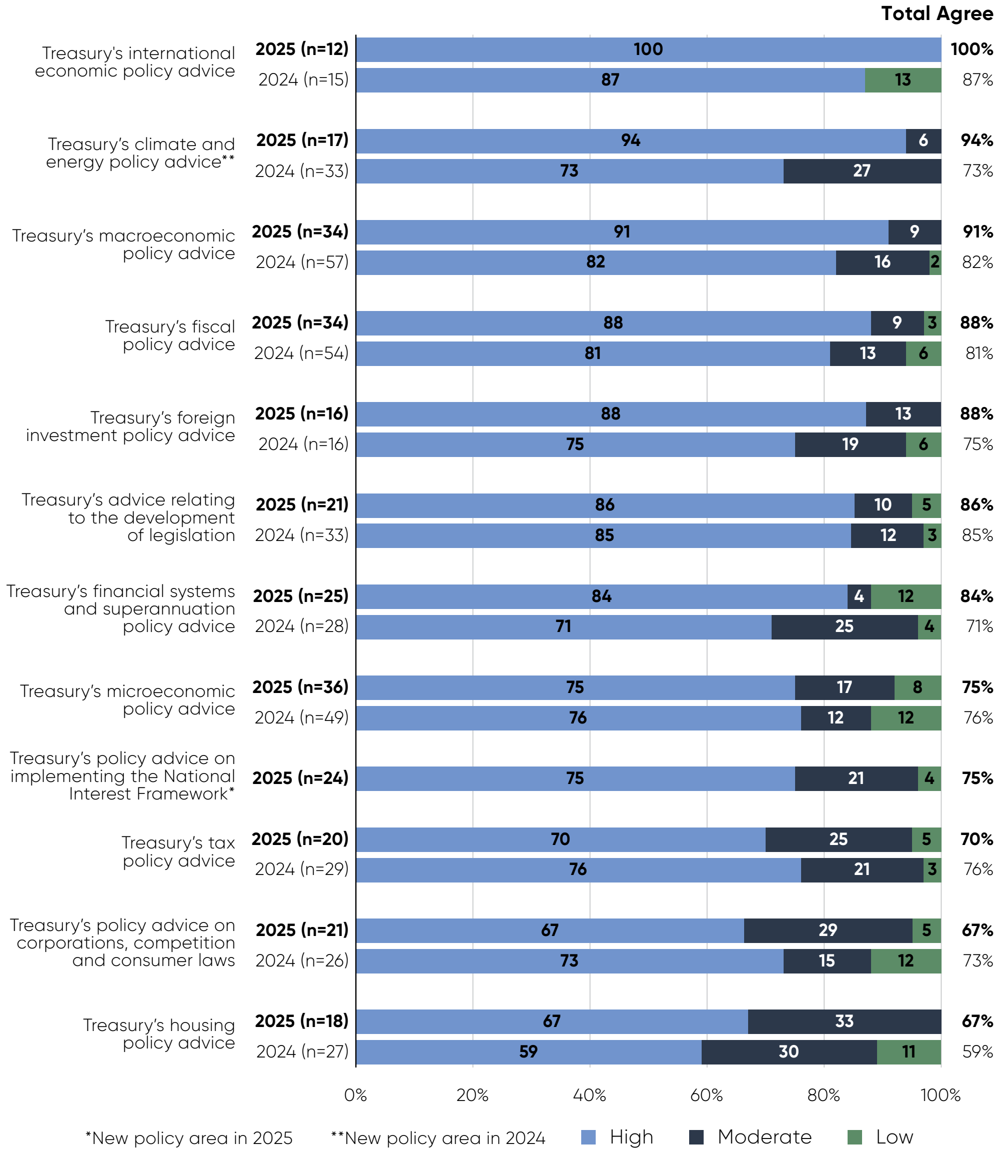
5 A response rate of 20 per cent was established as a valid response for the survey.

Overall ratings were most favourable at 100 per cent for Treasury's international economic policy advice (an increase from 87 per cent in 2023–24). This was followed by climate and energy policy advice at 94 per cent (an increase from 73 per cent in 2023–24) and macroeconomic policy advice at 91 per cent (an increase from 82 per cent in 2023–24). The lowest rating in Figure 4 was for Treasury's housing policy advice at 67 per cent, which improved from 59 per cent in 2023–24. Implementing the National Interest Framework was included in the survey for the first time. The new policy area established a benchmark rating of 75 per cent.

Three of the 15 policy areas received less than 5 responses. This means views of individual stakeholders have a greater impact on the results. Year-to-year differences may appear more pronounced and should be interpreted with caution. The results for these policy areas contribute to the overall result of 84 per cent and have not been included in Figure 4.

Treasury's digital policy advice was rated high by 50 per cent of stakeholders (in line with 53 per cent in 2023–24) with 50 per cent rating Treasury as moderate. One-third (33 per cent, a decrease from 50 per cent in 2023–24) of stakeholders rated small business policy advice as high with 67 per cent providing a moderate rating. The not-for-profit entity policy was not rated highly by stakeholders (0 per cent, a decrease from 80 per cent in 2023–24), 33 per cent responding with a moderate rating and the remaining responses were rated as low (67 per cent).

Figure 4: Performance results for each area of Treasury's policy advice



Base: Australian Government entity stakeholders who saw Treasury's policy advice to government in each area

Intended result 1.2

Treasury forecasts inform policy advice to government and are in an acceptable range of variance.

Performance measure 2

Variance between actual real Gross Domestic Product (GDP) and forecast real GDP.

Methodology	Assessment of the variance between forecasts and outcomes in each year for real GDP growth. Real GDP forecasts incorporate assumptions that include exchange rates, interest rates, commodity prices and population growth. The confidence interval is a widely used metric that provides a guide to the degree of uncertainty around forecasts. The 70% confidence interval means there is a 70% chance that the outcome falls in this range. This assumes future forecast errors are consistent with the distribution of past forecast errors from 1998–99 onwards.
Target	Real GDP falls within 70% confidence interval of forecast real GDP.
Data sources	Australian Bureau of Statistics Australian National Accounts: National Income, Expenditure and Product and budget papers.[a]
Source	PBS Program 1.1 – Department of the Treasury Corporate Plan 2024–25
Performance achieved 2024–25	**Achieved** The cumulative annualised growth rate for real GDP from 2022–23 to 2024–25 was 1.3 per cent and was within the 70% confidence interval range of 1 to 2¾ per cent as published at the 2024–25 Budget.[b] Achieved means actual real GDP falls within the 70% confidence interval of forecast real GDP.[c]
Performance achieved over time	In 2023–24 Treasury reported a result of achieved as the cumulative annualised growth rate for real GDP from 2021–22 to 2023–24 was 2.3% and was within the 70% confidence interval range of 1½ to 3¼ per cent as published at the 2023–24 Budget. This performance measure was introduced in 2022–23 for the purpose of performance reporting. In 2022–23 Treasury reported a result of achieved as the cumulative annualised growth rate for real GDP from 2020–21 to 2022–23 was 3.5% and was within the 70% confidence interval range of 3 to 4¾ per cent as published at the 2022–23 March Budget.

a) Australian Bureau of Statistics Australian National Accounts: National Income, Expenditure and Product was released on 3 September 2025.

b) Treasury uses a cumulative annualised growth rate (2 years) consistent with the real GDP methodology for Budget Statement 8. This differs from the 2024–25 annual growth rate (one-year) of 1.3% published on 3 September 2025 in the Australian National Accounts.

c) Achieved is assessed as the actual real GDP falling within the 70% confidence interval of forecast real GDP and not achieved is assessed as the actual real GDP did not falling within 70% confidence interval of forecast real GDP.

Analysis

The performance target has been achieved.

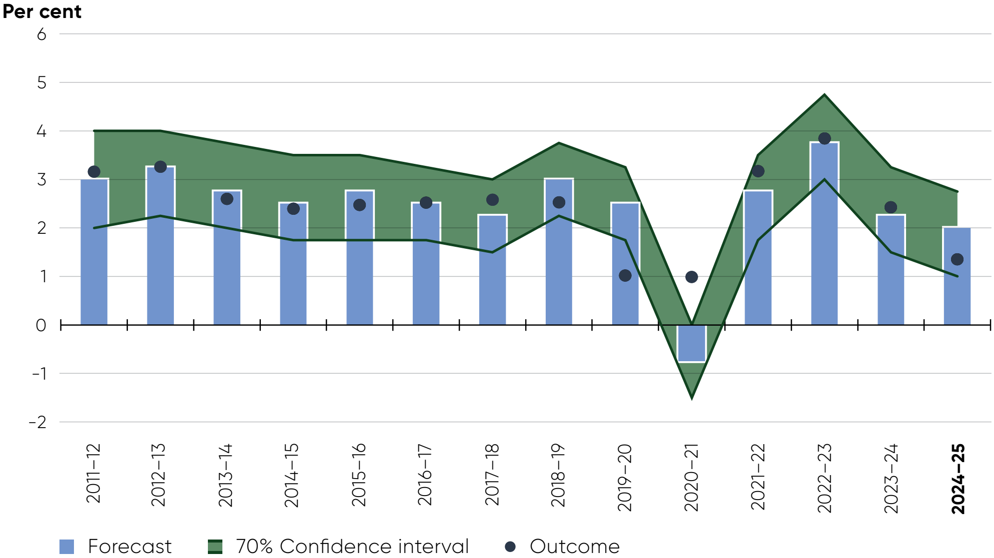
Treasury achieved the target of real GDP falling within the 70 per cent confidence interval of the forecast as published in the 2024–25 Budget.

Real GDP forecasts incorporate several assumptions, including those regarding exchange rates, interest rates, commodity prices and population growth. Forecasts of a single point estimate have a high probability of being incorrect. As a result, a confidence interval is used to establish an upper and lower bound to assess performance.

Treasury made large forecast errors in 2019–20 and 2020–21. The forecast error in 2019–20 was due to the onset of the COVID-19 pandemic. The 2020–21 forecasting error illustrated how the economic recovery was significantly stronger than anticipated. After falling outside of the 70 per cent confidence interval range in 2019–20 and 2020–21 due to a range of macroeconomic shocks, forecasts in 2021–22, 2022–23, 2023–24 and 2024–25 have been more closely aligned with outcomes.

Since the 2024–25 Budget, the economy has experienced relatively fewer external shocks than in preceding years. While the aggregate forecasts for real GDP have performed relatively well, there have been some compositional differences between the outcomes and forecasts. Overall, Treasury's approach to forecasting has performed well over this period. Treasury regularly reviews the methodology and assumptions that it uses for its forecasts and will continue to update its approach as economic circumstances evolve.

Figure 5: Treasury real GDP forecasts – performance over time



Source: ABS Australian National Accounts: National Income, Expenditure and Product, Treasury.

Note: Forecasts are from the relevant budget papers and reflect two-year cumulative annualised growth rates from the last full financial year of National Accounts data available at the time of forecast. Outcomes reflect latest available data using the same methodology. Confidence intervals have been calculated based on forecast errors from the 1998–99 Budget onwards and the latest available National Accounts data.

Confidence intervals were calculated based on forecast errors for the budget forecasts from 1998–99 onwards. The preliminary outcome for average annualised real GDP growth from 2022–23 to 2024–25 was within the 70 per cent confidence interval range as calculated at the time of Budget 2024–25 and when confidence intervals were updated for the latest available data.

The confidence interval is a widely used metric that provides a guide to the degree of uncertainty around forecasts, assuming forecast errors are consistent with the distribution of past forecast errors. The choice of a 70 per cent confidence interval is consistent with the narrower of the 2 confidence intervals. The other confidence interval of 90 per cent is published in budget papers.

Performance measure 3

Variance between actual total tax receipts (excluding company tax) and forecast.

Methodology	Assessment of the variance between forecasts and outcomes in each year for actual total tax receipts (excluding company tax). Tax receipts forecasts are generally prepared using a 'base plus growth' methodology. The last outcome for each head of revenue is the base to which growth rates are applied, using appropriate economic parameters. Estimates for the current year also incorporate recent trends in tax collections. The confidence interval is a widely used metric that provides a guide to the degree of uncertainty around forecasts and a basis for assessing forecasting performance. The 70% confidence interval means there is a 70% chance that the outcome falls in this range. This assumes future forecast errors are consistent with the distribution of past forecast errors from 1998–99 onwards.
Target	Total tax receipts (excluding company tax) for 2024–25 falls within 70% confidence interval of forecast at the 2024–25 Budget.
Data sources	Australian Bureau of Statistics Australian National Accounts: National Income, Expenditure and Product, budget papers and Final Budget Outcome.
Source	PBS Program 1.1 – Department of the Treasury Corporate Plan 2024–25
Performance achieved 2024–25	**Achieved** Total tax receipts (excluding company tax) in 2024–25 are \$519.1 billion, \$15.5 billion above the 2024–25 Budget forecast of \$503.6 billion. This variance falls inside the 70% confidence interval of the forecast (\$481.0 billion to \$526.2 billion). Achieved means the actual total tax receipts fall within 70% of the confidence interval of forecast total tax receipts (excluding company tax).
Performance achieved over time	In 2023–24, Treasury reported a result of achieved as total tax receipts (excluding company tax) were \$492.2 billion, \$4.6 billion above the 2023–24 Budget forecast of \$487.6 billion. This variance falls inside the 70% confidence interval of the forecast (\$465.2 billion to \$509.9 billion). This performance measure was introduced in 2022–23. Treasury reported a result of not achieved as total tax receipts (excluding company tax) were \$450.2 billion, \$32.0 billion above the 2022–23 Budget forecast of \$418.2 billion. This variance fell outside of the 70% confidence interval of the forecast, exceeding the \$437.0 billion upper bound by \$13.2 billion.

Analysis

The performance target has been achieved.

The 2024–25 variance of \$15.5 billion in total tax receipts (excluding company tax) is the result of higher-than-expected tax receipts across several heads of revenue including gross income tax withholding, gross other individuals, superannuation fund taxes, and goods and services tax. These higher-than-expected outcomes were partly offset by lower-than-expected excise and customs duty, primarily reflecting lower-than-expected collections for tobacco excise equivalent duty.

Table 3 and Table 4 contain a summary of the performance measure for 2022–23, 2023–24 and 2024–25 total tax receipts variance between outcome and forecast, excluding company tax (Table 3) and including company tax (Table 4).

Table 3: Total tax receipts variance between outcome and forecast, excluding company tax

	2022–23	2023–24	2024–25
Final Budget Outcome ($b)	450.2	492.2	**519.1**
Budget forecast ($b)	418.5	487.6	**503.6**
Variance ($b)	31.8	4.6	**15.5**
70% confidence interval upper bound	437.0	509.9	**526.2**
70% confidence interval lower bound	399.9	465.2	**481.0**
Falls within 70% confidence interval	No	Yes	**Yes**

Table 4: Total tax receipts variance between outcome and forecast, including company tax

	2022–23	2023–24	2024–25
Final Budget Outcome ($b)	601.3	633.4	**657.8**
Budget forecast ($b)	508.7	616.3	**642.7**
Variance ($b)	92.6	17.1	**15.1**
70% confidence interval upper bound	538.1	656.4	**683.9**
70% confidence interval lower bound	479.2	576.2	**601.5**
Falls within 70% confidence interval	No	Yes	**Yes**

Total tax receipts is the sum of all cash receipts received by the government that are classified as taxes and reported in budgets and the Final Budget Outcome. Forecasts are adjusted for policy decisions and any tax reclassifications announced after the Budget which affect the reporting year. Forecasts of a single point estimate have a high probability of being incorrect. As a result, a confidence interval is used to establish an upper and lower bound to assess performance.

The confidence interval is a widely used metric that provides a guide to the degree of uncertainty around forecasts, assuming that forecast errors are consistent with the distribution of past forecast errors. The choice of a 70 per cent confidence interval is consistent with the narrower of the 2 confidence intervals (the other confidence interval being 90 per cent).

Company tax is excluded from the performance measure as it is significantly more sensitive to changes in the economy and can be substantially affected by highly volatile commodity prices. The Budget takes a prudent approach to commodity prices by using technical assumptions that assume short-term prices revert to conservative long-run price assumptions. If company tax was included, this single technical assumption has the potential to be a significant driver of both the confidence interval and performance measure result.

Intended result 1.3

Budgets, fiscal and economic updates are timely and comply with the Charter of Budget Honesty.

Performance measure 4

Delivered in line with the requirements of the *Charter of Budget Honesty Act 1998* (Charter).

Methodology	Assessment against the requirements and timeframes for the public release of the deliverables set out in the Charter for the 2024–25 reporting period. The deliverables for performance reporting are the 2023–24 Final Budget Outcome, 2024–25 Mid-Year Economic and Fiscal Outlook, 2025–26 Budget. Assessment will include Pre-election Economic and Fiscal Outlook, costing of election commitments, and additional statement of Commonwealth stock and securities only if the relevant conditions of Part 7, 8 or 9 of the Charter are met.
Target	100%
Data sources	The released documents for the Budget, Final Budget Outcome, Mid-Year Economic and Fiscal Outlook, the Pre-election Economic and Fiscal Outlook (if required), the costing of election commitments and additional statement of Commonwealth stock and securities (if required).
Source	PBS Program 1.1 – Department of the Treasury Corporate Plan 2024–25
Performance achieved 2024–25	**Achieved** All 4 deliverables were publicly released in line with the requirements and within the timeframes of the Charter. Achieved means 100% of deliverables were publicly released in line with the requirements and within the timeframes of the Charter.[a]
Performance achieved over time	In 2021–22, 2022–23 and 2023–24 Treasury reported a result of achieved with 100% of deliverables publicly released in line with the requirements and within the timeframes of the Charter.[b]

a) Achieved is assessed as 100 per cent of deliverables required under the *Charter of Budget Honesty Act 1998* (the Charter) are released within the timeframes and not achieved is assessed as less than 100 per cent of deliverables required under the Charter are released within the timeframes.

b) Treasury's performance is assessed against the number of deliverables required under the Charter for the reporting period. The number of deliverables for the period will vary depending on the requirements of the Charter.

Analysis

The performance target has been achieved.

Requirements and timeframes of the *Charter of Budget Honesty Act 1998* (Charter) have been met. Treasury used the timeliness measure as a proxy for efficiency.

In line with the Charter, Treasury worked with the Treasurer's office, Treasury ministers, and the Australian Public Service to prepare and publish the:

- 2023–24 Final Budget Outcome
- 2024–25 Mid-Year Economic and Fiscal Outlook (MYEFO)
- 2025–26 Budget
- 2025 Pre-election Economic and Fiscal Outlook (PEFO).

The 2023–24 Final Budget Outcome met the Charter requirement for the Treasurer to publicly release and table the report by 30 September 2024. The report was publicly released on 30 September 2024 and tabled in the Senate and the House of Representatives on 8 October 2024. The report met the relevant Charter content requirements for a Final Budget Outcome report to contain Commonwealth budget sector and Commonwealth general government sector fiscal outcomes for the financial year.

The 2024–25 MYEFO met the Charter requirement for the Treasurer to publicly release and table the papers by 31 January 2025, or within 6 months after the last budget (by 13 November 2024), whichever is later. The MYEFO papers were publicly released on 18 December 2024 and tabled on 23 January 2025, with tabling occurring out of the sitting period. The papers met the relevant Charter content requirements for a MYEFO report.

The 2025–26 Budget met the Charter requirement for the Treasurer to publicly release and table the papers. The papers were publicly released and tabled on 25 March 2025. The papers met the relevant Charter content requirements for a budget report.

The 2025 PEFO met the Charter requirement for the Treasury Secretary and the Finance Secretary to publicly release the report by 10 April 2025. The report was publicly released on the 7 April 2025 and met the relevant Charter content requirements for a PEFO report.

During the caretaker period for the 2025 Federal Election, Treasury did not receive any requests for costings of tax revenue-related policies. In the lead up to and during the caretaker period for the 2025 Federal Election Treasury worked with the Department of Finance to issue updated Charter of Budget Honesty Policy Costing Guidelines. Treasury and Finance also issued a media release on the process for public release of any requests, completed costings or related information during the caretaker period.

No additional statement about Commonwealth stock and securities was required. The actual face value of Commonwealth stock and securities did not increase by $50 billion or more between the 2024–25 Budget and the 2024–25 MYEFO or between the 2024–25 MYEFO and the 2025–26 Budget.

These deliverables are the outcome of Treasury's policy advice, analysis, forecasting and consultation that are assessed through other performance measures and contribute to strong and sustainable economic and fiscal outcomes.

Key activity 2 – Treasury's implementation of policies and regulation supports Australia's economy and national interest

Intended result 2.1

Treasury's policy advice on markets and regulator issues assists the Australian economy to be competitive and key markets to be dynamic.

Performance measure 5

Australia maintains or improves its 2022 score on markets related inputs to the World Competitiveness Ranking produced by the Institute for Management Development.[a]

Methodology	The Institute for Management Development (IMD) produces a World Competitiveness Ranking based on a range of criteria. Fifteen of these criteria relate to the Treasury in the areas of policy responsibility for financial system, investment, retirement incomes, provisions of actuarial services, and corporations, competition, and consumer data and law. Other performance measures do not assess these policy areas. IMD calculates the average value for each economy for publication in the IMD World Competitiveness Yearbook each year. Treasury will use the results against the 15 criteria to construct a competitiveness score relevant to this performance measure as an indicator of Treasury's policy effectiveness.
Target	Competitiveness score of >105. The target is based on the 2022 results for 15 criteria of the World Competitiveness Rankings.
Data sources	Institute for Management Development World Competitiveness Rankings Results 2025.
Source	Program 1.3 – Support for Markets and Business Corporate Plan 2024–25
Performance achieved 2024–25	**Partially Achieved** Australia's competitiveness score for 2024–25 was 98 against a target of 105. Partially achieved means Australia's competitiveness score is between 94 to 98.[b]
Performance achieved over time	In 2023–24 Treasury reported a result of substantially achieved with Australia's competitiveness score of 102 against a target of 105. This performance measure was introduced in 2022–23. In 2022–23 Treasury reported a result of substantially achieved with Australia's competitiveness score of 100 against a target of 105.

a) Institute for Management Development (IMD) World Competitiveness Ranking: IMD World Competitiveness Centre, Switzerland.

b) Achieved is assessed as Australia maintains or increases a score of 105. Substantially achieved is assessed as a score of 99 to 104. Partially achieved is assessed as a score of 94 to 98. Not achieved is assessed as a score that falls below 94.

Analysis

The performance target has been partially achieved.

This is the third year Treasury has assessed performance using this methodology and external data sourced from the World Competitiveness Ranking produced by the IMD on competitiveness. Treasury developed a target 'competitiveness score' of 105 based on the 2022 data using 15 criteria published by the IMD.

The 15 criteria represent areas of Treasury's policy responsibility for financial system, investment, retirement incomes, provision of actuarial services, and corporations, competition, and consumer data and law. The 15 criteria related to market performance as an indication of Treasury's policy outcomes. These areas of policy responsibility are not assessed through other Treasury performance measures. The score is determined by a survey of business executives conducted independently by the Committee for Economic Development of Australia (CEDA) using the methodology set out by the IMD. Treasury aggregated the individual survey results against each of the 15 criteria for 2024 to determine the competitiveness score of 98.

The total competitiveness score reported this year is lower than previous years. The total score for 2024–25 is 98, a four-point decrease compared to the previous year.

Table 5: World Competitiveness Ranking score, 2021–22 to 2024–25

	2021–22	2022–23	2023–24	2024–25
Score	105	100	102	98

Compared to the prior year (2023–24), Treasury noted a significant improvement in score for the 'pension funding is adequately addressed for the future' criteria (an increase greater that 0.5 compared to 2023–24). This improvement may relate to initiatives to strengthen Australia's regulatory environment, including a series of targeted reforms and regulatory enhancements within Treasury's portfolio, such as:

- the 2024 issuance by the Australian Securities and Investments Commission of final rules and information for the Financial Accountability Regime, and
- the 2024 updates by the Australian Prudential Regulatory Agency to key prudential standards for superannuation.

Treasury noted decreases compared to 2023–24 of less than 1 point in scores for:

- bureaucracy does not hinder business activity
- credit is easily available for business
- banking and financial services do support business activities efficiently
- creation of firms is supported by legislation
- cost of capital encourages business development, and
- legal and regulatory framework encourages the competitiveness of enterprises.

While the report does not cite specific proposals that led to the reduced scores, it is consistent with other concerns from the business community around the cumulative impact of increased regulation. It is important to clarify that highlighting external factors and Treasury's work is not intended to imply a direct causal relationship to the score.

Treasury continues to provide advice on a range of policy issues related to the functioning of markets. This includes the financial system, corporate conduct, retirement incomes, consumer policy, and competition policy and investment. If the policy issues were agreed and implemented, Treasury would expect its scores to increase on these and other measures in coming years.

Intended result 2.2

Treasury's policy advice on the prudential regulatory framework contributes to the stability of Australia's financial system and provides confidence to consumers and investors, supporting economic growth.

Performance measure 6

No disorderly failures of institutions prudentially regulated in Australia.

Methodology	A disorderly failure of a prudentially regulated institution occurs when there is material disruption to the critical economic functions and services that the institution provides, and that this results in significant impacts on the financial system and the wider economy. Treasury will rely on regular bilateral engagement with the Australian Prudential Regulation Authority (APRA) to obtain information on prudentially regulated institutions that have failed or are at significant risk of failure.
Target	No disorderly failures of prudentially regulated institutions.
Data sources	Australian Prudential Regulation Authority data for the Money Protection Ratio and register of prudentially regulated entities at the beginning and end of the relevant reporting period.
Source	PBS Program 1.1 – Department of the Treasury Corporate Plan 2024–25
Performance achieved 2024–25	**Achieved** There were no disorderly failures of prudentially regulated institutions. Achieved means no disorderly failures of prudentially regulated institutions in Australia during 2024–25.[a]
Performance achieved over time	In 2022–23 and 2023–24 Treasury reported a result of achieved with no disorderly failures of prudentially regulated institutions. This performance measure was introduced in 2022–23.

a) Achieved is assessed as no disorderly failures of prudentially regulated institutions and not achieved is assessed as at least one disorderly failure of a prudentially regulated institution.

Analysis

The performance target has been achieved.

In the reporting period of 2024–25, there were no disorderly failures of prudentially regulated entities in Australia. There were 1,513 prudentially regulated institutions in Australia at the commencement of the reporting period. Treasury analysis revealed a net decrease of 359 regulated entities. Eleven new entities entered while 370 ceased over the reporting period. Of the 370 entities that ceased, 244 small super funds exited through member consent, 66 had a successor fund transfer, 20 had their license revoked, 14 underwent Australian Taxation Office transfer, 9 entities were wound up, and 17 had other methods of transfer. In addition to the entities that exited and entered, 11 existing entities changed their names over the reporting period.

Treasury determined that all exits between 1 July 2024 and 30 June 2025 were entity led and part of business-as-usual operations. That is, there were no losses due to prudential failures for depositors, policy holders or superannuation members.

Treasury maintains a close working relationship with APRA to ensure disorderly failures of institutions do not occur. Over the reporting period, Treasury closely monitored trends and economic activity in the financial system that could contribute to entity failures, including through meetings of the Council of Financial Regulators. In the instance of an entity failure, Treasury would support APRA in facilitating the orderly exit or resolution of the entity based on the specific circumstance of the entity in question. Treasury would also engage with the Reserve Bank of Australia and Australian Securities and Investment Commission, as relevant to the circumstances.

Intended result 2.3

Treasury's policy advice and implementation of policy for the tax system supports a stable, resilient and sustainable economy.

Performance measure 7

Treasury contributes to the development of the Organisation for Economic Co-operation and Development Inclusive Framework on Base Erosion and Profit Shifting Action 1.

Methodology	Treasury is contributing to the development of the Base Erosion and Profit Shifting Action 1 Pillars One and Two as part of the Organisation for Economic Co-operation and Development (OECD) Inclusive Framework. Treasury will demonstrate its contribution through continuing advice to government, stakeholder consultation, participation in international negotiation and bilateral engagement, and liaison with other government agencies. Treasury will assess the supporting evidence against the pre-determined criteria to determine progress towards the targets.
Target	Australia implements legislation to give domestic effect to the undertaxed payments rule under Pillar Two in accordance with the progress and timelines of the OECD (subject to government decision to implement the pillars).
Data sources	Records of advice to government; records of OECD meetings and other working party meetings; bilateral, government agency and external stakeholder meetings.
Source	PBS Program 1.1 – Department of the Treasury Corporate Plan 2024–25
Performance achieved 2024–25	**Achieved** Australia implemented legislation to give domestic effect to the undertaxed payments rule under Pillar Two in accordance with the progress and timelines of the OECD. Achieved means Australia completed all components of the target.
Performance achieved over time	In 2023–24 Treasury reported a result of not achieved as Australia did not sign the Pillar One Multilateral Convention and implement legislation to give domestic effect to a domestic minimum tax and the income inclusion rule under Pillar Two. This performance measure was introduced in 2022–23. In 2022–23 Treasury reported a result of on-track to achieve the 2023–24 target.

Analysis

The performance target has been achieved.

The Pillar Two undertaxed profits rule (UTPR – formerly the 'undertaxed payments rule') was the final element of the Pillar Two framework to be implemented in Australia:

- Primary legislation: the *Taxation (Multinational—Global and Domestic Minimum Tax) Act 2024* and *Taxation (Multinational—Global and Domestic Minimum Tax) Imposition Act 2024*, passed both Houses of Parliament on 26 and 27 November 2024 and received Royal Assent on 10 December 2024.
- Subordinate legislation: the Taxation (Multinational—Global and Domestic Minimum Tax) Rules 2024 was published on the Federal Register of Legislation on 23 December 2024.

The Pillar Two framework as implemented in Australia includes a global minimum tax (comprised of the income inclusion rule and the UTPR) and a domestic minimum tax. The domestic implementation of the income inclusion rule and the domestic minimum tax apply to income years starting on or after 1 January 2024. Taxes payable under the UTPR apply in relation to fiscal years starting on or after 1 January 2025.

Domestic implementation of the UTPR demonstrates Australia's contribution to the development of the OECD Inclusive Framework on Base Erosion and Profit Shifting Action 1. The aim of Action 1 was to address the challenges of the digital economy, and Pillar Two specifically aims to stop the 'race to the bottom' on corporate taxes.

With the implementation of these measures, Australia joins approximately 70 jurisdictions that have announced or taken steps to introduce key elements of Pillar Two. Australia's implementation, together with this wider consensus, reduces the incentives for large multinational entities to shift profits to low tax jurisdictions by imposing a minimum rate of corporate tax of 15 per cent.

As this performance measure has been achieved, Treasury will not continue reporting in 2025–26 and the forward years.

Intended result 2.4

Treasury's delivery of the legislative program is in line with the government's priorities and within the required timeframes.

Performance measure 8

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 actual number delivered.

Methodology	Calculation of the legislative measures committed for delivery, adjusted for reprioritisation, and compared with the legislative measures actually delivered. Treasury manages and delivers legislative measures during Parliamentary sitting periods. Accordingly, Treasury assesses performance based on the sequence of Winter and Spring Parliamentary sitting periods in one calendar year and Autumn Parliamentary sitting period in the following calendar year. This provides the best alignment with the performance reporting period. To provide a more accurate synopsis of Treasury's delivery of the government's legislative agenda we have excluded routine, annual or minor and technical legislative measures from the performance measures. Treasury assesses performance against the delivery of legislative measures that implement priority policies as announced by government.
Target	91%
Data sources	Treasury's legislative program provides a record of the government's current legislative priorities in the Treasury portfolio, which Treasury track through a records management database. The Bills and Legislation page on the Parliament of Australia website is a second data source confirming date of introduction and passage of primary legislation. The Federal Register of Legislation also provides a second data source confirming the date of instrument registration.
Source	PBS Program 1.1 – Department of the Treasury Corporate Plan 2024–25
Performance achieved 2024–25	**Achieved** Treasury delivered an average of 97% of measures committed for delivery across the sitting periods. Achieved means 91% or greater of legislative measures delivered as committed with adjustment for reprioritisation.[a]
Performance achieved over time	In 2023–24 Treasury reported a result of achieved with an average of 97% of measures committed for delivery across the sitting periods. In 2022–23 Treasury reported a result of achieved with an average of 98% of measures committed for delivery across the sitting periods. In 2021–22 Treasury reported a result of achieved with an average of 94% of measures committed for delivery across the sitting periods.

a) Achieved is assessed as ≥91% of legislative measures delivered, substantially achieved is assessed as 86% to 90%, partially achieved is assessed as 80% to 85%, and not achieved is assessed as <80%.

Analysis

The performance target has been achieved.

In 2024–25 Treasury delivered 97 per cent of legislative measures committed for delivery during the reporting period. This included the delivery of 105 legislative measures. This does not account for the entirety of the Treasury legislative program, as not all measures are used to assess performance, such as administrative measures.

Treasury continues to liaise with the portfolio ministers' offices to ensure alignment of Treasury's legislation program with the government's priorities. Treasury continues to hold regular briefing processes. This ensures that the Treasurer and other portfolio ministers agree to the legislation program for an upcoming sitting prior to the sitting period commencing, but also during a sitting period to agree to the reprioritisation of measures.

During the reporting period Treasury reprioritised 40 legislative measures to include them in the program in response to the government's priorities. They included:

- the Future Made in Australia Bill 2024 in the Winter 2024 sitting period
- Help to Buy Bill 2023 in Spring 2024, and
- Treasury Laws Amendment (More Cost of Living Relief) Bill 2025 in Autumn 2025.

Treasury managed these changes to the legislation program by reprioritising 96 legislative measures to later sitting periods, as agreed by the Treasurer and portfolio ministers.

This year has been particularly dynamic for Treasury's legislation program. The announcement of the Federal Election on 28 March 2025 and subsequent caretaker period altered the usual change management process of Treasury's legislation program. The calling of the Federal Election resulted in the dissolution of the House of Representatives and the commencement of the government's caretaker conventions. As such, any remaining bills in Parliament and planned bills for upcoming sitting periods were placed on hold until an incoming government was announced.

With the dissolution of the Parliament, and the legislation program falling outside of ordinary matters of administration, Treasury was unable to proceed with the planned legislation program for the 2025 Autumn sittings or communicate to the ministerial offices the decision to put the remaining legislation program on hold. This was consistent with the government's caretaker conventions. The impact to the program was low, as once the incoming government was announced and a revised sitting calendar was released. Treasury undertook a prioritisation process with the remaining legalisation program to determine the outcome of the scheduling of the program to be agreed by the Treasurer.

Intended result 2.5

Treasury's regulatory functions:

- Treasury administers Australia's foreign investment framework consistent with Australia's national and economic interests.
- Treasury administers the Payments Times Reporting Scheme to improve the payment terms, times and practices of large businesses towards their small business suppliers and improve payment outcomes for small businesses.

Performance measure 9

2

Proportion of stakeholders that report a high level of satisfaction regarding:

- the clarity, transparency, and consistent application of Treasury's regulatory frameworks (Regulator Performance (RMG 128) Principle 1)
- risk-based, data driven decision making (RMG 128 Principle 2)
- Treasury's responsive communication and collaboration (RMG 128 Principle 3).

Methodology	Independent surveys conducted by a third-party provider with foreign investment framework and Payment Times Reporting Scheme stakeholders. Stakeholder selection and questions that align with the Regulator Performance Principles will be governed by transparent stakeholder selection rules. Treasury will report separately on its regulatory functions for the foreign investment framework and Payments Times Reporting Scheme.
Target	65%
Data sources	Responses to the annual stakeholder survey and stakeholder lists.
Source	PBS Program 1.1 – Department of the Treasury and Program 1.3 – Support for Markets and Business Corporate Plan 2024–25
Performance achieved 2024–25	**Foreign Investment Framework: Partially achieved** 58% of survey respondents provided a rating of agree or strongly agree to the survey questions.[a] Partially achieved means 55 to 59% of survey respondents provided an agree or strongly agree rating for applicable questions.[b] **Payment Times Reporting Scheme: Partially achieved** 55% of survey respondents provided a rating of agree or strongly agree to the survey questions. Partially achieved means 55 to 59% of survey respondents provided an agree or strongly agree rating for applicable questions.

Performance achieved over time	In 2023–24 the Foreign Investment Framework reported a result of partially achieved with 57% and in 2022–23 an indicative performance result of 67%. In 2023–24 the Payment Times Reporting Scheme reported a result of substantially achieved with 61% and in 2022–23 a result of partially achieved with 57%. The performance achieved for 2021–22 was not comparable with the 2022–23 results for the Foreign Investment Framework and the Payment Times Reporting Scheme.

a) The performance result was 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.

b) Achieved is assessed as ≥65% of survey respondents who provide ratings of 4 (agree) or 5 (strongly agree, substantially achieved is assessed as 60 to 64%, partially achieved is assessed as 55 to 59%, and not achieved is assessed as <55%.

Analysis

Treasury used structured key stakeholder surveys to measure the department's administration of regulator functions. Treasury engaged an external provider to develop, conduct, and report on the regulator surveys. Separate surveys were conducted for each of Treasury's regulators. The survey questions were specific to each regulator and were designed to address the 3 best practice principles of the Regulator Performance Resource Management Guide (RMG) 128:[6]

1. Continuous improvement and building trust
2. Risk-based and data-driven
3. Collaboration and engagement.

Treasury's regulators are reported separately within this analysis. Senior executives will discuss the feedback, and the results will be used to improve performance.

Foreign Investment Framework

The performance target has been partially achieved.

A total of 51 stakeholders of the Foreign Investment Framework completed the survey. The stakeholder survey for the Foreign Investment Framework received a 24 per cent response rate and a performance result of 58 per cent. This was consistent with the result achieved in 2023–24 (57 per cent).

During 2024–25, Treasury continued to implement reforms announced in May 2024 to streamline low-risk investment, strengthen scrutiny and compliance in relation to high-risk investment, and improve transparency. A new online investor portal was launched.

6 www.finance.gov.au/government/managing-commonwealth-resources/regulator-performance-rmg-128

Performance against the best practice principles

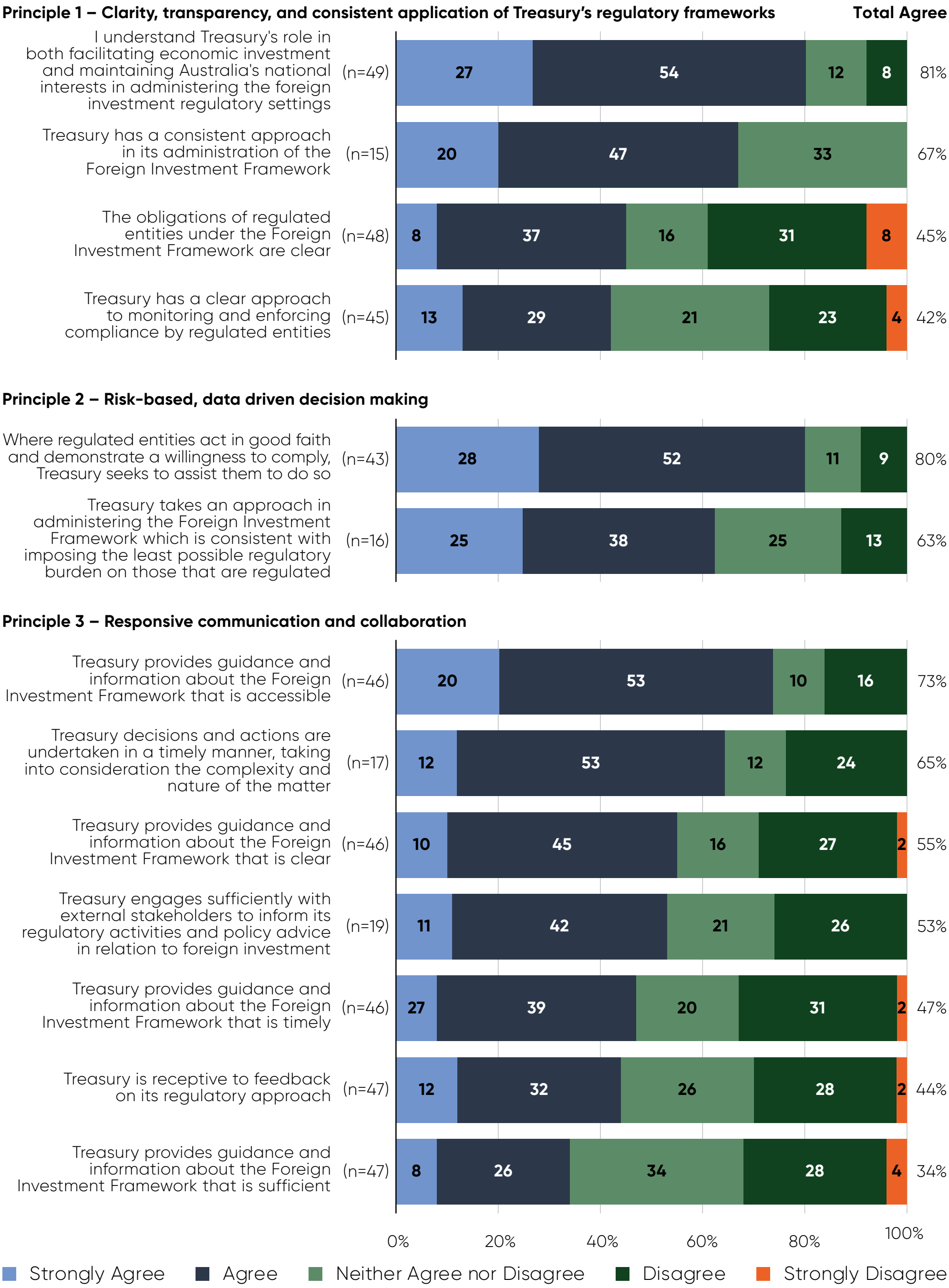
The survey responses have been used to assess Treasury's performance against the 3 principles of best practice regulation set out in Department of Finance guidance.

Treasury's performance for clarity, transparency, and consistent application under Principle 1 was mixed. There was a strong response from stakeholders of the Foreign Investment Framework indicating they understood Treasury's role in facilitating economic investment and maintaining Australia's national interests in administering the foreign investment regulatory settings (81 per cent). Stakeholders agreed Treasury has a consistent approach in its administration of the Foreign Investment Framework (67 per cent agreed). They were less positive about the clarity of regulated entities' obligations under the Framework (45 per cent) and Treasury's approach to monitoring and enforcing compliance (42 per cent).

Survey responses for Treasury's risk-based and data driven decision-making for Principle 2 identified that most stakeholders (80 per cent) agreed Treasury seeks to assist regulated entities that act in good faith and demonstrate a willingness to comply. In a positive result (63 per cent agreed) stakeholders reported Treasury's approach in administering the Foreign Investment Framework is consistent with imposing the least possible burden on the regulated. This result is a 30 per cent increase from the previous year's result.

There was a broad range of responses (34 to 73 per cent) in relation to Principle 3 for Treasury's responsive communication and collaboration. Stakeholders were most positive about the guidance and information about the Foreign Investment Framework (73 per cent). Stakeholders responded positively that Treasury's decisions and actions are undertaken in a timely manner (65 per cent). A lower proportion felt Treasury's guidance and information was timely (47 per cent) and sufficient (34 per cent).

Figure 6: Treasury's performance – alignment of the Foreign Investment Framework results with the best practice principles

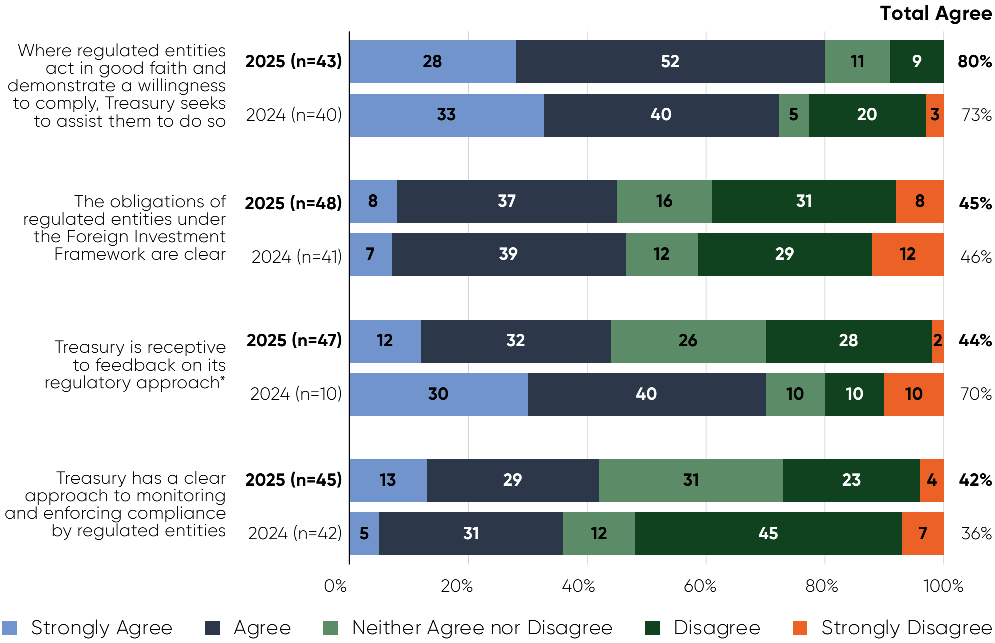


Base: Key stakeholders of the Foreign Investment Framework

Overview of survey results

The majority of stakeholders of the Foreign Investment Framework agreed that Treasury seeks to assist entities (80 per cent, an increase from 73 per cent in 2023–24). There were fewer positive perceptions about the clarity of obligations of regulated entities (45 per cent, in line with 46 per cent in 2023–24) and Treasury's receptiveness to feedback on its regulatory approach (44 per cent, a decrease from 70 per cent in 2023–24). There was an improvement in survey responses on the clarity of Treasury's approach to monitoring and enforcing compliance (42 per cent, an increase from 36 per cent in 2023–24).

Figure 7: Treasury's performance – all stakeholders of the Foreign Investment Framework, comparison of 2024 and 2025



*2024 question wording: Treasury is receptive to feedback from external stakeholders on its regulatory activities

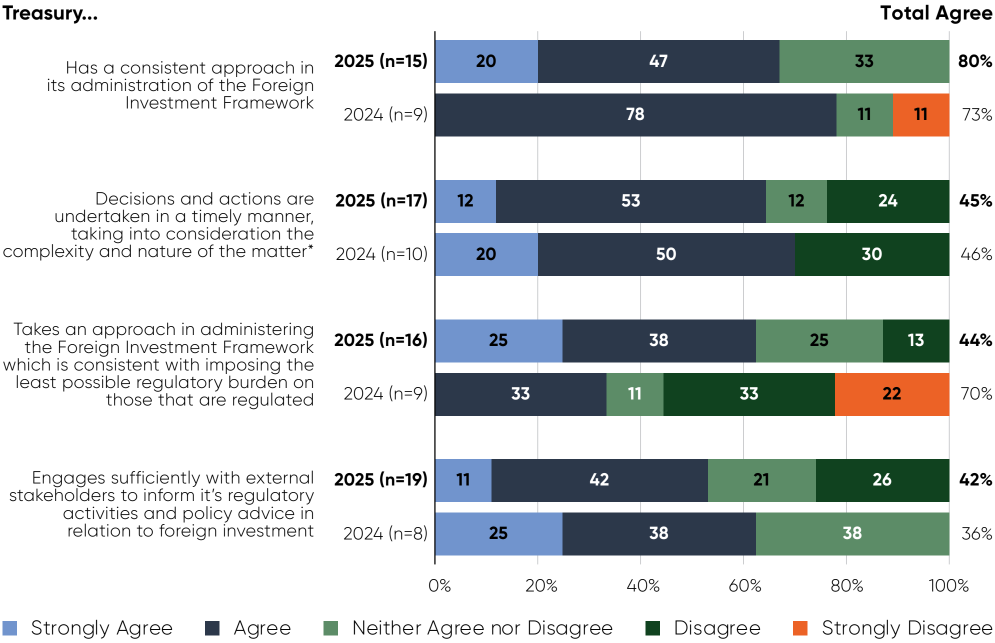
Base: All key stakeholders of the Foreign Investment Framework

Most stakeholders, excluding representatives from regulated entities and investors, agreed Treasury has a consistent approach in its administration of the Foreign Investment Framework (67 per cent, a decrease from 78 per cent in 2023–24).[7] Stakeholder responses to Treasury's decisions and actions being timely, taking into consideration the complexity and nature of the matter, were similar to the prior year (65 per cent in 2024–25 compared to 70 per cent in 2023–24). There was a significant

7 Stakeholders excluding or other than representatives from regulated entities and investors include members of the Law Council's Foreign Investment Committee, active members of the Foreign Investment Review Board, senior officers from Australian Government entities and senior executives from other organisations.

increase in agreement from stakeholders (other than representatives from regulated entities and investors) that Treasury consistently imposed the least possible regulatory burden (63 per cent agreed, an increase from 33 per cent in 2023–24).

Figure 8: Treasury's performance – stakeholders other than investors and/ or representatives of regulated entities of the Foreign Investment Framework, comparison of 2024 and 2025



*2024 question wording: Treasury is receptive to feedback from external stakeholders on its regulatory activities

Base: Key stakeholders of the Foreign Investment Framework other than representatives/ senior executives of regulated entities/ investors

As in previous years, stakeholders were most positive about the accessibility (73 per cent agreed, an increase from 69 per cent in 2023–24) and clarity (55 per cent agreed, a decrease from 58 per cent in 2023–24) of Treasury's guidance and information. Less than half of stakeholders agreed that guidance and information was timely (47 per cent agreed, an increase from 44 per cent in 2023–24) and sufficient (34 per cent agreed, a decrease from 45 per cent in 2023–24).

Foreign Investment Framework stakeholders for 2024–25 included:

- investors and/or agents of regulated entities
- senior officers (Executive Level 2 and above) from Australian Government entities and senior executives from other organisations
- investors and/or agents of regulated entities who have a Treasury client manager
- non-executive members of the Foreign Investment Review Board
- members of the Law Council's Foreign Investment Committee.

Payment Times Reporting Scheme

The performance target has been partially achieved.

A total of 185 Payment Times Reporting Scheme (the scheme) stakeholders completed the survey.[8] The survey received a response rate of 21 per cent and a performance result of 55 per cent.

During 2024–25, the Payment Times Reporting Regulator (the regulator) implemented major regulatory reforms announced by the government in response to the 2023 statutory review of the *Payment Times Reporting Act 2020*. Significant changes were made to the regulatory framework through the *Payment Times Reporting Amendment Act 2024 (Amendment Act)* and the Payment Times Reporting Rules 2024 commencing on 7 September 2024 and 13 September 2024 respectively.

The reforms introduced new definitions and obligations for all reporting entities. New reporting requirements took effect on or after 1 July 2024. The Amendment Act made provision for an automatic 3-month extension meaning reports for the 6-month period 1 July to 31 December 2024 were due on 30 June 2025.

The reforms require new ICT infrastructure that is being delivered in tranches. Delivery slippage in the ICT infrastructure project required risk-based decisions, balancing functionality with timing of delivery. The ICT infrastructure continues to be rolled out with enhanced functionality for a better user experience and administrative efficiency gains.

The regulator invested heavily in stakeholder consultations on the guidance materials from October to December 2024. Following stakeholder feedback the guidance was enhanced and re-issued in March 2025 with greater clarity about the requirements, and supplementary guidance materials on reporting fields.

Stakeholder engagement at the stakeholder liaison forums has and continues to trend upwards. Over the 12 months to February 2025, we had a 186 per cent increase in stakeholder attendance and the number of organisations represented increased by 147 per cent. Between March to May 2025, the regulator delivered 4 education technical workshops *'Getting Ready for New Reporting'* with over 2,700 participants attending.

A refreshed Payment Times Reporting Portal went live on 1 May 2025. It provides functionality for reporting entity information and reports required under the reformed Scheme to be submitted to the regulator prior to 30 June 2025 as required by legislation.

Over the course of 2024–25, administering both the original scheme, implementing the reformed scheme and ICT infrastructure project presented challenges. Stakeholder expectations, user experience and reputational risk were, and continue to be, key considerations.

8 Payment Times Reporting Scheme stakeholders for this survey are representatives from regulated entities, industry bodies, professional advisers and senior officers from Australian Government entities.

The year in review was a period of significant change for the scheme and the regulator where stakeholder engagement increased well above previous years. Increased stakeholder engagement was reflected in the numbers of stakeholders invited to participate in the survey, 888 in 2024–25 compared to 192 in 2023–24.

The 2024–25 results are positive outcomes resulting from risk-based decisions and careful stakeholder management during a period of significant change.

Performance against the best practice principles

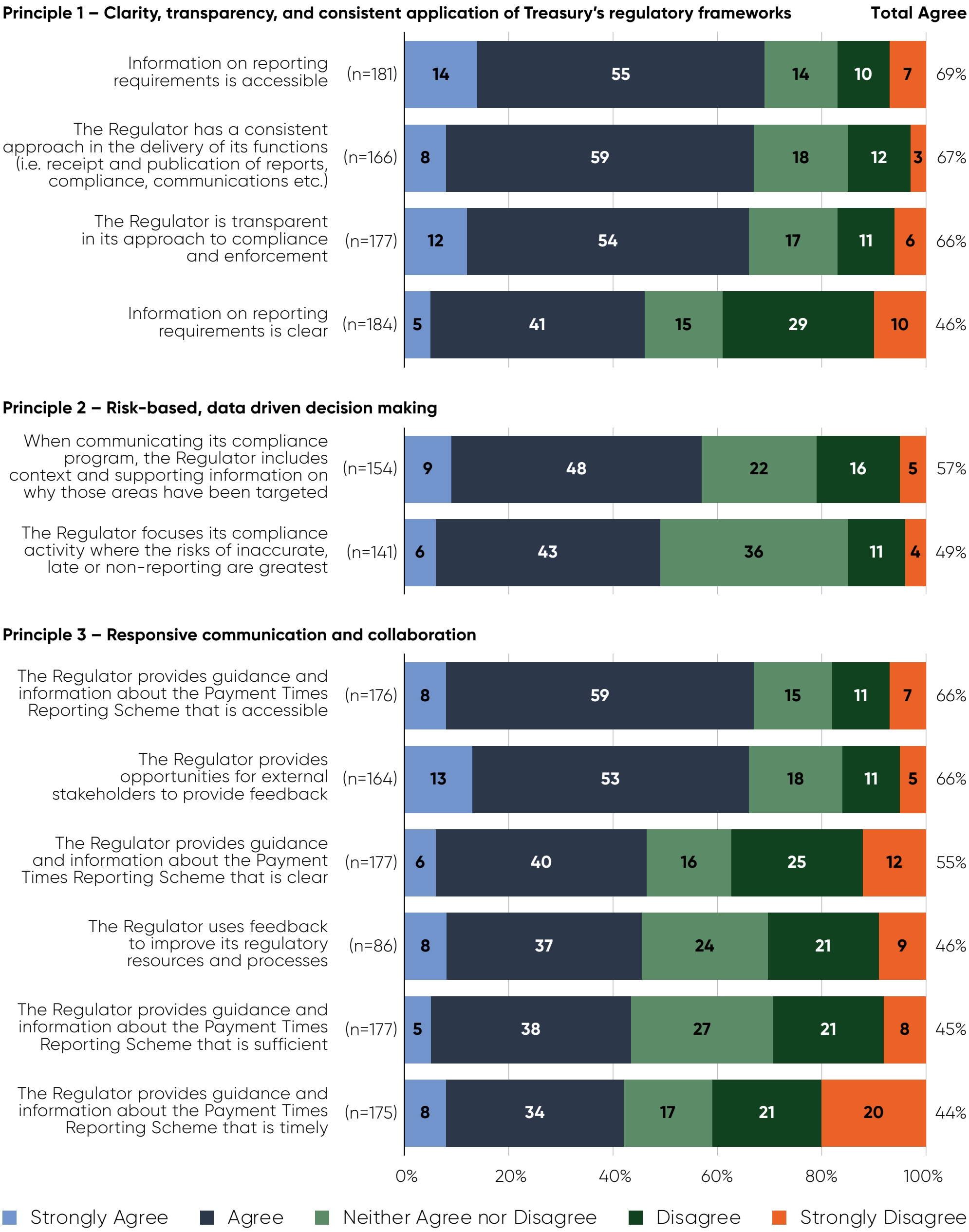
The survey responses were used to assess the regulator performance against the 3 principles of best practice regulation set out in Department of Finance guidance.[9] Stakeholder responses were most positive in relation to Principle 1, with 46 to 69 per cent favourable about the clarity, transparency and consistent application of the regulatory frameworks. The accessibility of information on reporting requirements (69 per cent), the consistency in the regulator delivering its functions (67 per cent) and transparency (66 per cent) were rated most favourably by the scheme's stakeholders.

Ratings were lower for risk-based, data driven decision making under Principle 2. Around half stakeholders agreed the regulator includes context and supporting information about why particular areas are targeted in its compliance program (57 per cent agreed), and focuses compliance activity where the risks of inaccurate, late or non-reporting are greatest (49 per cent agreed).

Perceptions of the regulator's responsive communication and collaboration for Principle 3 were mixed. Two-thirds of stakeholders agreed the regulator provides guidance and information that was accessible (66 per cent) and provides opportunities for feedback (66 per cent). Stakeholders were less positive about the regulator's guidance and information being clear (46 per cent), sufficient (44 per cent) and timely (42 per cent).

9 Regulator Performance (RMG 128).

Figure 9: The regulator's performance – alignment of the Payment Times Reporting Scheme results with the best practice principles



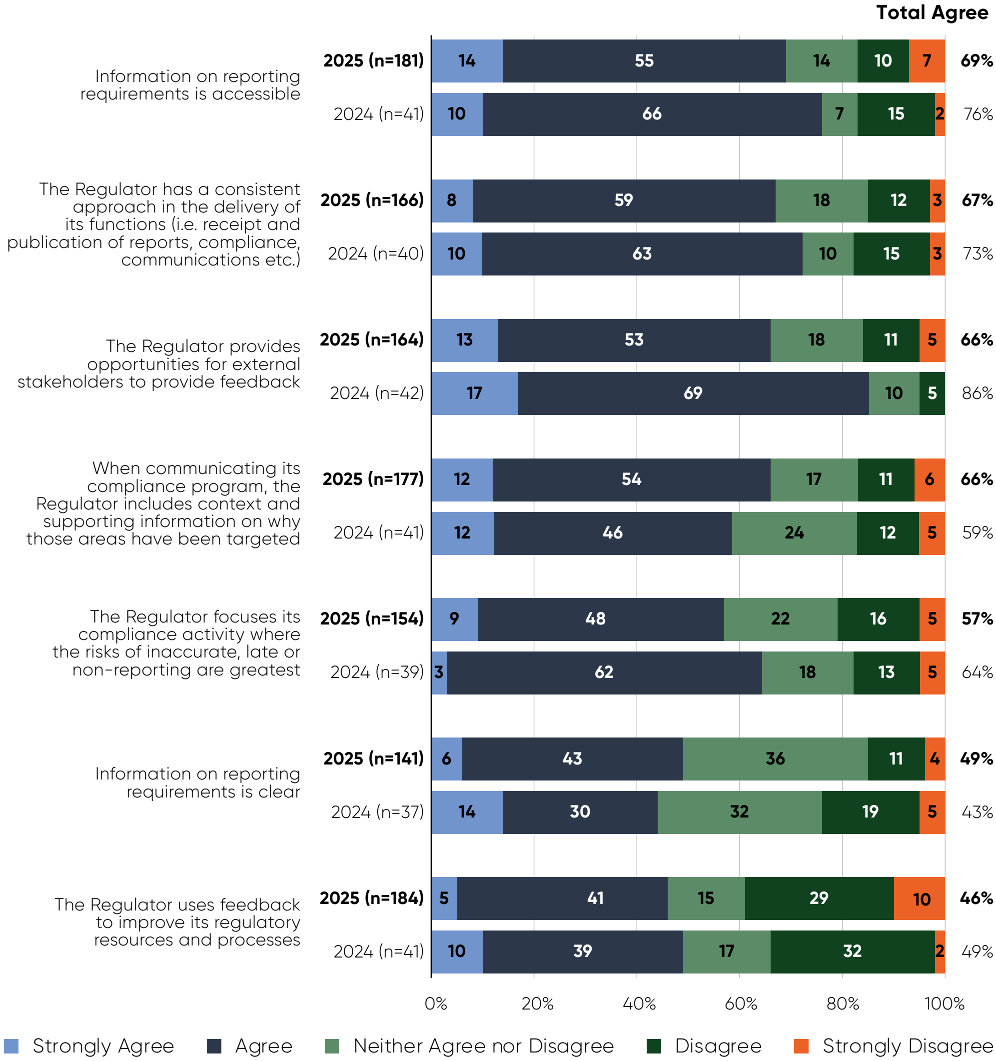
Base: Key stakeholders of the Payment Times Reporting Scheme

Overview of survey results

Stakeholder ratings for the scheme were mixed. Around two-thirds of stakeholders agreed information on reporting requirements is accessible (69 per cent, a decrease from 76 per cent in 2023–24), that the regulator has a consistent approach in delivering its functions (67 per cent, a decrease from 73 per cent in 2023–24), provides opportunities for feedback (66 per cent, a decrease from 86 per cent in 2023–24), and is transparent in its approach to compliance and enforcement (66 per cent, an increase from 59 per cent in 2023–24).

Stakeholders were less positive about Treasury's compliance activity relative to risks (49 per cent agreed, an increase from 43 per cent in 2023–24) and the clarity of information about reporting requirements (46 per cent a decrease from 49 per cent in 2023–24).

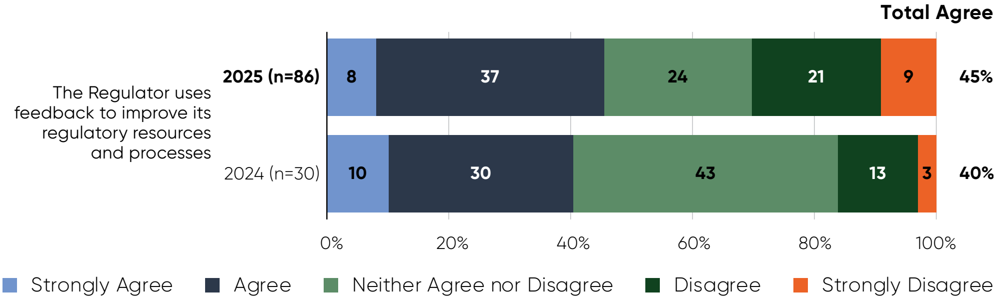
Figure 10: The regulator's performance – all stakeholders of the Payment Times Reporting Scheme, comparison of 2024 and 2025



Base: All key stakeholders of the Payment Times Reporting Scheme

Among those stakeholders that participated in stakeholder liaison forums, engagement and consultations between 1 April 2024 and 31 March 2025, less than half (45 per cent, slightly higher than 40 per cent in 2023–24) agreed that the regulator uses feedback to improve its resources and processes.

Figure 11: The regulator's performance – stakeholder liaison forums, stakeholder engagement or consultations in 2024–25 – Payment Times Reporting Scheme



Base: Key stakeholders of the Payment Times Reporting Scheme who participated in the regulator's stakeholder liaison forums, stakeholder engagement or consultations.

Stakeholders were most positive about the accessibility of guidance and information (66 per cent, a decrease from 76 per cent in 2023–24). They were less favourable about guidance and information being clear (46 per cent, no change from 2023–24), sufficient (44 per cent, a decrease from 58 per cent in 2023–24) and timely (42 per cent, a decrease from 63 per cent in 2023–24).

In 2024–25 the regulator implemented major reforms through the *Payment Times Reporting Amendment Act 2024* and the Payment Times Reporting Rules 2024 which commenced in September 2024. The reforms introduced a new definition of a reporting entity, and new requirements applied to reporting periods commencing on or after 1 July 2024.

The regulator engaged with stakeholders on the reforms and reporting requirements, including consultation on the legislative framework and guidance material complemented by educational workshops attended by almost 3,000 participants. Stakeholder respondents increased from 42 in 2023–24 to 184 in 2024–25. There were 888 stakeholders invited to participate in the survey 2024–25 compared with 192 in 2023–24. While the response rate was maintained (22 per cent in 2023–24 and 21 per cent 2024–25) a significant number of stakeholders chose not to provide feedback.

Stakeholders were senior management from regulated entities, industry bodies, professional advisers identified on the regulator's stakeholder liaison list and senior officers from Australian Government entities.

Performance measure 10

Treasury removed performance measure 10 for the Payment Times Reporting Regulator as outlined in the Corporate Plan 2024–25 and will not report on performance in the 2024–25 period.

Source	PBS Program 1.3 – Support for Markets and Business Corporate Plan 2024–25
Performance achieved 2024–25	Reporting is not required in 2024–25.
Performance achieved over time	In 2023–24 Treasury reported a result of substantially achieved with 84% of entities registered to report compared to the number of entities required to be registered to report.[a] Treasury reported a result of partially achieved with 72% of entities registered to report compared to the number of entities required to be registered to report.[b] The performance results from prior years will not be comparable with 2025–26 reporting.

a) Achieved is assessed as ≥85% of regulated entities registered as a reporting entity, substantially achieved is assessed as 80 to 84%, partially achieved is assessed as 75 to 79%, and not achieved is assessed as <75%.

b) In 2022–23 partially achieved was assessed as 70 to 74% of regulated entities registered as a reporting entity.

Analysis

Treasury is implementing major reforms to the Payment Times Reporting Scheme announced by the government in its response to the 2023 independent statutory Review of the *Payment Times Reporting Act 2020.* The *Payment Times Reporting Amendment Act 2024* made significant changes to the Act and the Payment Times Reporting Rules 2024 were remade, commencing in September 2024.

The reforms introduced a new definition of a reporting entity and new reporting requirements applied to reporting commencing on or after 1 July 2024. The performance assessment period from 1 July 2024 to 30 June 2025 coincided with the transition period for the new reporting requirements and reporting entities prepared reports under both the previous and new legislative frameworks (as relevant).

Treasury has developed a new performance measure and targets for publication in the Corporate Plan 2025–26 and will report against these metrics in the Annual Report 2025–26.

Key activity 3 – Treasury's external engagements enable implementation of the government's economic and fiscal agenda

Intended result 3.1

Relationships with Treasury ministers, Treasury portfolio agencies and regulators, and key stakeholders enables implementation of the government's agenda.

Performance measure 11

Proportion of Treasury ministers, Treasury portfolio agencies and regulators, and key stakeholders that highly rate working with the Treasury.[a]

Methodology	Independent stakeholder survey conducted by a third-party provider and structured interviews with Treasury ministers or their delegates. The assessment of the ministerial feedback questionnaire will be weighted so that the Treasurer's responses account for 50% of the overall percentage measure. Stakeholder selection is governed by transparent stakeholder selection rules.
Target	**Ministerial feedback questionnaire:** 83% **Stakeholder survey:** 80%
Data sources	Stakeholder lists and responses to the annual stakeholder feedback survey and the ministerial feedback questionnaire from Treasury ministers or their delegates.
Source	PBS Program 1.1 – Department of the Treasury Corporate Plan 2024–25
Performance achieved 2024–25	**Ministerial feedback questionnaire: Achieved** 100% of Treasury ministers or their delegate provided a rating of good or very good to the questions.[b] Achieved means 83% or more of Treasury ministers or their delegate provided a rating of good or very good to the questions.[c] **Stakeholder survey: Achieved** 81% of survey respondents provided a rating of agree or strongly agree to the questions.[d] Achieved means 80% or more of survey respondents provided a rating of agree or strongly agree to the questions.

Performance achieved over time	In 2023–24 Treasury reported a result of achieved for the ministerial feedback questionnaire as 100% of Treasury ministers or their delegates provided a rating of good or very good to the questions. In 2023–24 Treasury reported a result of achieved for the stakeholder survey as 77% of survey respondents provided a rating of agree or strongly agree to the questions. In 2022–23 Treasury reported a result of achieved for the ministerial feedback questionnaire as 100% of Treasury ministers or their delegate provided a rating of good or very good to the questions. In 2022–23 Treasury reported a result of achieved for the stakeholder survey as 75% of survey respondents provided a rating of agree or strongly agree to the questions. In 2021–22 Treasury reported achieved with an effectiveness result of 77% for the quality of engagement or consultation from stakeholders.[e]

a) Stakeholders involved in the survey are senior officials from Australian Government entities that are Treasury's counterparts and senior executive level stakeholders from organisations external to government who have had defined interactions with Treasury at least 4 times in the past year (1 April 2024 – 31 March 2025).

b) The performance result was calculated as an average of the percentage of Treasury ministers or their delegate who provided ratings of 4 (good) or 5 (very good) on a 5-point scale for applicable question items.

c) Achieved is assessed as a performance result of ≥80%, substantially achieved is assessed as 75 to 79%, partially achieved is assessed as 70 to 74%, and not achieved is assessed as <70%.

d) The performance result was 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.

e) In 2021–22 the effectiveness result was survey respondents' rating of Treasury against set questions as an indicator of effectiveness. The performance result was 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 used structured interviews with Treasury ministers or their representatives and surveyed stakeholders to assess the effectiveness of its working relationships. Treasury engaged an external provider to develop and report on the ministerial feedback questionnaire and the stakeholder survey. All 5 ministerial interviews were conducted between January and March 2025, prior to the Federal Election (interviews usually occur between May and June).[10] A Treasury deputy secretary conducted the interviews, and the external provider attended as an objective observer and note taker.

Performance feedback from Treasury ministers and stakeholders is reported separately within this analysis.

Ministerial feedback questionnaire

The performance target has been achieved.

The ministerial interviews achieved a 100 per cent response rate and a performance result of 100 per cent. Treasury used structured interviews with ministers or their representatives to complete the feedback questionnaire. The Assistant Treasurer and Minister for Financial Services and the Assistant Minister for Competition, Charities and Treasury personally participated in the interview. The Minister for Agriculture, Fisheries

10 Interviews were not conducted during the Federal Election. Treasury requires ministers to be in office for a minimum of 90 days to participate in the ministerial feedback questionnaire.

and Forestry and Minister for Small Business was represented by their deputy chief of staff, and the Minister for Housing, Minister for Homelessness was represented by their chief of staff and senior adviser. The Treasurer was represented by their chief of staff.

All ministerial stakeholders unanimously rated the quality of working relationships with Treasury as positive (100 per cent). Nearly all ministerial stakeholders (88 percent, a decrease from 100 per cent in 2023–24) rated their working relationship as ‘very good’.

General comments from ministerial stakeholders were largely very positive about Treasury’s performance overall. Feedback was positive about Treasury staff responsiveness, professionalism and expertise, and ministerial stakeholders reflected more broadly on the effectiveness of their working relationship with Treasury.

Given the Treasurer is the senior Treasury minister, and the high volume of interactions with the Treasurer and policy coverage, the survey ratings of the Treasurer (or representative) were weighted more highly than those of other ministerial stakeholders. The weighting formula meant the Treasurer’s responses accounted for 50 per cent of the aggregate performance metrics derived from the survey.

Stakeholder survey

The performance target has been achieved.

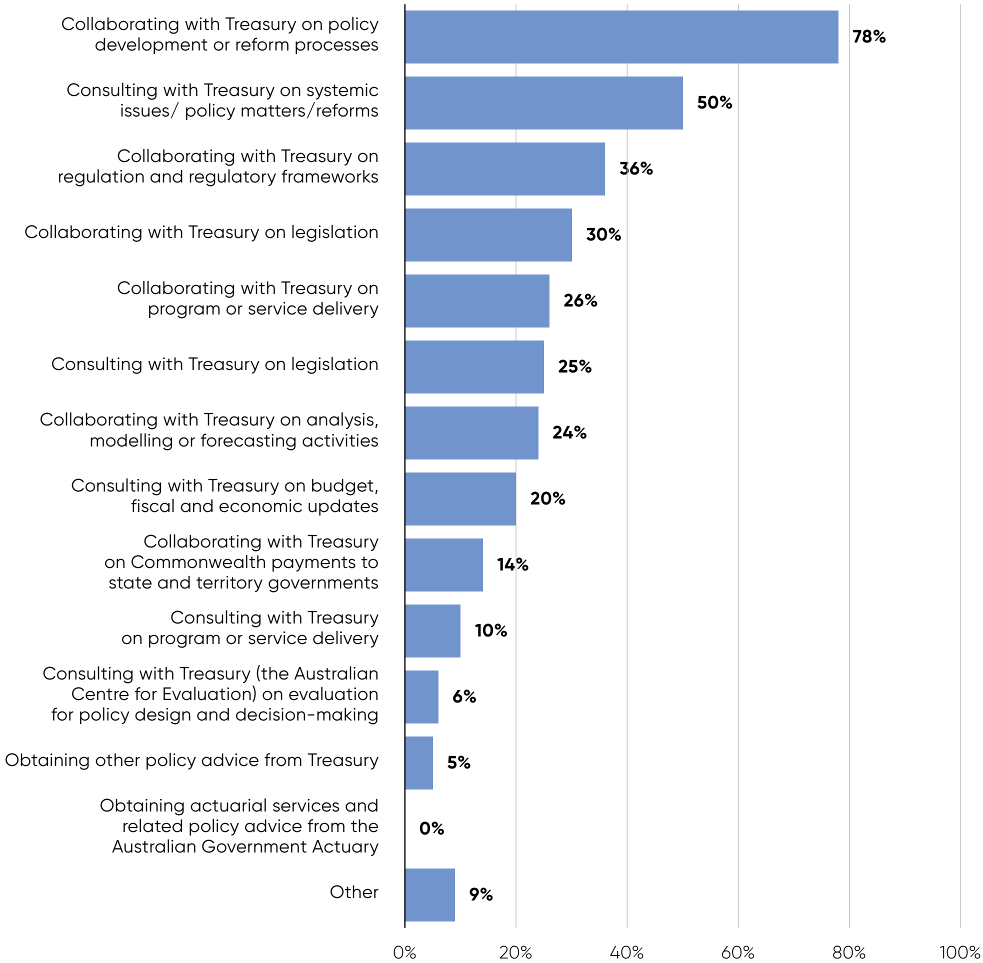
A total of 729 Australian Government entity and external stakeholders were invited to participate in the survey. This is an increase from 681 in 2023–24. The survey had a response rate of 27 per cent with a 23 per cent response rate from Australian Government entity stakeholders and a 33 per cent response rate from external stakeholders.[11] Treasury achieved a performance result of 81 per cent (an increase from 77 per cent in 2023–24).

Stakeholders from other Australian Government departments and agencies made up 33 per cent of survey respondents with 15 per cent from Treasury portfolio agencies. The remaining stakeholders external to the Australian Government included individual businesses (15 per cent), peak bodies (14 per cent), not-for-profit organisations (10 per cent), state and territory government entities (6 per cent), international government organisations (3 per cent), universities and research institutions (2 per cent) and international organisations (1 per cent).

Most survey respondents engaged with Treasury on policy development and reform (78 per cent) and consultation on systemic and policy matters (50 per cent). More than a third of stakeholders (36 per cent) collaborated on regulation and regulatory frameworks. More than a quarter (26 per cent) engaged on program and service delivery and of those programs in Treasury, Consumer Data Right had the highest level of engagement (17 per cent). Collaboration with Treasury on analysis, modelling and forecasting activities was identified by almost a quarter of stakeholders (24 per cent).

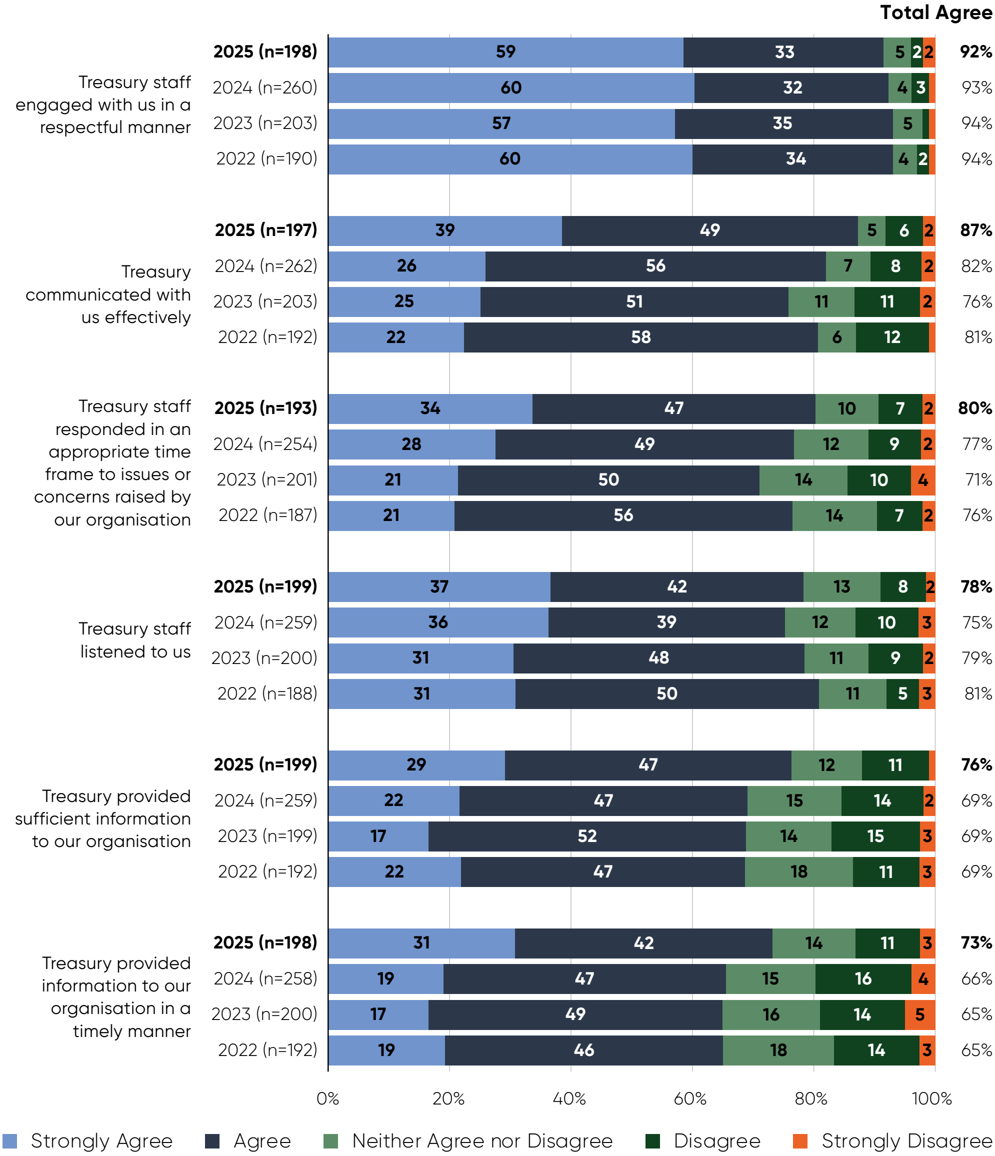
11 A response rate of 20 per cent was established as a valid response for the survey.

Figure 12: Types of engagement with Treasury in 2024–25



Stakeholders' perceptions of the effectiveness of their working relationships with Treasury were generally positive and showed improvement compared to 2023–24 for most aspects. As in previous years, stakeholders were most positive about the respectful manner of Treasury staff (92 per cent agreed, consistent with 93 per cent in 2023–24). Compared to 2023–2024, stakeholders were more likely to agree that Treasury communicated with them effectively (87 per cent, an increase from 82 per cent), responded in an appropriate timeframe to issues or concerns (80 per cent, an increase from 77 per cent), and listened to them (78 per cent, an increase from 75 per cent). There were also improvements in Treasury's information being sufficient (76 per cent, an increase from 69 per cent) and timely (73 per cent, an increase from 66 per cent).

Figure 13: Effectiveness of working relationships with Treasury – comparison to 2022, 2023 and 2024



Stakeholders were invited to provide comments on the working relationship with Treasury. Stakeholders provided 89 general comments about Treasury's performance. Most comments related to Treasury's communication, collaboration and engagement. Stakeholder perceptions of Treasury's engagement were generally very positive, with around one third praising Treasury's collaborative approach, open communication and responsiveness.

Intended result 3.2

Partnering with international financial institutions promotes international monetary cooperation, fosters financial system stability and economic growth, and facilitates the government's objectives in international forums.

Performance measure 12

Proportion of payments to international financial institutions are transferred within legislated requirements and agreements.

Methodology	Assessment of payments against the requirements of relevant legislation and agreements. The performance results will be calculated as a percentage of total payments that meet requirements and timeframes against total payments (all payments including those that do not meet requirements and timeframes) for the period.
Target	100%
Data sources	*International Monetary Agreements Act 1947* and *International Finance Corporation Act 1955*, *Asian Development Bank Act 1966*, *Asian Infrastructure Investment Bank Act 2015*, *European Bank for Reconstruction and Development Act 1990,* and payment records from the Reserve Bank of Australia, World Bank, International Finance Corporation, Asian Development Bank, International Monetary Fund or other multilateral development banks (where relevant).
Source	PBS Program 1.2 – International Financial Relations Corporate Plan 2024–25
Performance achieved 2024–25	**Achieved** Eight payments (100%) are transferred within legislative requirements and agreements.[(a)] Achieved means 100% of payments are transferred within legislative requirements and agreements.[(b)]
Performance achieved over time	In 2023–24 Treasury reported a result of achieved with 11 payments (100%) transferred within legislative requirements and agreements. In 2022–23 Treasury reported a result of achieved with 15 payments (100%) administered within legislative requirements and agreements.[(c)] In 2021–22 Treasury reported a result of achieved with 21 payments (100%) administered to international financial institutions within agreed requirements and timeframes.

a) 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.

b) Achieved is assessed as 100% of payments are transferred within legislated requirements and agreements, substantially achieved is assessed as 95 to 99%, partially achieved is assessed as 90 to 94%, and not achieved is assessed as <90%.

c) Treasury removed the assessment of payments against timeframes in Corporate Plan 2022–23.

Analysis

The performance target has been achieved.

Treasury administered 8 payments to international financial institutions totalling A$874.17 million. These included 5 payments to the International Monetary Fund (IMF) totalling approximately A$677.68 million. These payments include an annual assessment charge and Special Drawing Rights interest charges. On-time payments to the IMF supported Australia's relationship with the IMF which is essential to help promote international monetary cooperation, financial system stability and economic growth, and to facilitate the government's objectives in international forums.

One payment was made to the European Bank for Reconstruction and Development for the purchase of shares for a sum of A$13.81 million.

Treasury also issues promissory notes to multilateral development banks, with payments against those notes financed from the Department of Foreign Affairs and Trade's official development assistance budget. Treasury administered 2 promissory notes over this reporting period, totalling A$182.67 million, to facilitate commitments to the World Bank's Global Environment Facility Trust Fund and International Development Association.

Intended result 3.3

Payments to the states and territories (the states) are administered in accordance with the Intergovernmental Agreement on Federal Financial Relations and other relevant agreements between the Commonwealth and the states.

Performance measure 13

Proportion of payments to the states are delivered within requirements of the Intergovernmental Agreement on Federal Financial Relations and other relevant agreements between the Commonwealth and the states.

Methodology	Assessment of payments against the requirements of the *Intergovernmental Agreement on Federal Financial Relations* and other relevant agreements between the Commonwealth and the states. The assessment will be calculated as a percentage of the number of payments that meet requirements against the total number of payments (all payments including those that do not meet requirements) for the period.
Target	100%
Data sources	The *Intergovernmental Agreement on Federal Financial Relations* and other relevant agreements, records of payment requests in the Federal Payments Management System, approvals, and payment advice.
Source	PBS Program 1.4 – Commonwealth-State Financial Relations Corporate Plan 2024–25
Performance achieved 2024–25	**Substantially achieved** 782 payments (99.0%) out of 790 payments were delivered within legislative requirements and agreements. Substantially achieved means 98% to 99.9% of payments are delivered within requirements and agreements.[a]
Performance achieved over time	In 2023–24 Treasury reported a result of substantially achieved with 681 payments (99.6%) out of 684 payments were delivered within legislative requirements and agreements. In 2022–23 Treasury reported a result of substantially achieved with 636 (99.8%) out of 637 payments delivered within legislative requirements and agreements. In 2021–22 Treasury reported a result of substantially achieved with 639 (99.5%) payments administered within the requirements and 642 (100%) payments administered within the required timeframes.[b] [c]

a) Achieved is assessed as 100% of payments are delivered within requirements, substantially achieved is assessed as 98 to 99.9%, partially achieved is assessed as 95 to 97 .9%, and not achieved is assessed as <95%.

b) Achieved was assessed in 2021–22 and 2022–23 as 100% of payments are delivered within requirements, substantially achieved is assessed as 95 to 99%, partially achieved is assessed as 90 to 94%, and not achieved is assessed as <90%.

c) Treasury removed the assessment of payments against timeframes in Corporate Plan 2022–23.

Analysis

The performance target has been substantially achieved.

In accordance with the *Intergovernmental Agreement on Federal Financial Relations,* Treasury made payments to the states totalling $187.0 billion during the period from 1 July 2024 to 30 June 2025. This included:

- 12 specific purpose payment rounds made on the seventh of each month (or the closest working day after)
- one extraordinary specific purpose payment round made on 30 June 2025
- 12 general revenue assistance payment rounds made on the twenty-first of each month (or the closest working day after).

In total, these 25 payment rounds comprised 790 individual payments to the states. Each of the 790 individual payments were verified by Treasury officers prior to approval. Payment data sources have been reconciled to ensure alignment between what Commonwealth agencies requested be paid to the states, what officials in the Treasury approved as payments to the states, and what was paid to the states.

Treasury has identified 8 instances during the period in which payments were made without written ministerial authorisation for a specific senior official to approve the payments on the minister's behalf. These approval errors were technical in nature as the states had met the requirements for these payments. An authorised senior official will approve payments while a new authorisation instrument is drafted, following conclusion of machinery of government changes. Processes have been amended to minimise the likelihood of these errors reoccurring.

Performance measures transferred to Treasury

Performance report 2024–25: Advice on Australian cities

Period of Annual Performance Statement

Functions of the Department of Infrastructure, Transport, Regional Development, Communications, and the Arts (DITRDCA) were subject to a machinery of government change. National policy advice on cities was transferred from DITRDCA to Treasury effective 13 May 2025, including responsibility for performance reporting.

The DITRDCA Corporate Plan 2024–25 and Portfolio Budget Statements 2025–26 includes one performance measure for advice on Australian cities policy that was transferred to Treasury. The annual performance statements cover the 2024–25 reporting period (1 July 2024 to 30 June 2025) and provide reporting for this performance measure.

The performance measure for advice on Australian cities policy is structured under the DITRDCA Program 3.3 – Cities of the Portfolio Budget Statements 2025–26.

Program 3.3 – Cities

The cities program supports the development of more liveable and productive cities through programs and policies that support jobs and economic growth, manage population pressures and reduce congestion.

Key activity: Advise on and deliver commitments to enhance Australia's cities and towns

In the 2023–24 Budget, the Australian Government announced the establishment of a Cities and Suburbs Unit to deliver a new National Urban Policy and State of the Cities Report. The National Urban Policy will address urgent challenges facing our major cities – from equitable access to jobs, homes and services, to climate impacts and decarbonisation. It will present a shared government vision for the sustainable growth in our cities and seek to better integrate an urban lens across policymaking.

The State of the Cities Report will provide measurement of the progress and performance of our cities and vital insights into the productivity, equity and resilience of Australian cities, to inform the public and support all levels of government decision making.

Policy advice assessment methodology

The Australian cities policy performance measure is one of 11 policy measures in the DITRDCA performance framework. In 2024–25, DITRDCA assessed 11 performance measures against the policy advice assessment methodology to determine the quality, timeliness and evidence base of their advice. An internal panel of executive level and senior executive service employees, who were not directly involved in the writing the policy advice, made an assessment against specific criteria. Policy advice must be rated as a 'pass' for all 3 criteria to be considered high quality, timely and evidence based. This means scoring 75 per cent or above and a unanimous 'yes' response for timeliness. Once the scores for each piece of policy advice were finalised, the measure result was calculated using a mathematical equation to determine the overall reporting result against the department's results.

Performance measure 23

Advice on Australian cities policy

Methodology	Policy advice is assessed and scored against criteria, by an internal panel, to determine quality, timeliness and evidence base.
Target	Policy advice is high quality, timely and evidence based
Data sources	Ministerial submissions containing departmental policy advice which are stored in the Parliamentary Document Managements System.
Source	PBS Program 3.3 – Cities Corporate Plan 2024–25 (DITRDCA))
Performance achieved 2024–25	**Target met** All 3 criteria for high quality, timely and evidence based has been assessed against the policy advice assessment methodology and rated as a 'pass' by the internal panel.
Performance achieved over time	This is a new performance measure for 2024–25.

Analysis

The Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts (DITRDCSA) is reporting that the performance target has been met. The policy advice was assessed by the DITRDCSA internal panel as high quality, timely and evidence based.[12]

The National Urban Policy was launched in November 2024 and forms the basis for 'the advice on Australian cities policy' performance measure. The National Urban Policy was delivered by the DITRDCA.

The National Urban Policy describes the Australian Government's goal that urban places be liveable and equitable, productive and innovative, and sustainable and resilient.

The department undertook extensive public and other stakeholder consultation to develop the National Urban Policy, a key determinant of whether policy advice meets the performance criteria. This included Australian Government agencies, all levels of government, industry representatives, First Nations organisations and urban policy experts. Stakeholders provided advice, data and case studies to inform the National Urban Policy.

12 In 2024–25, the department prepared one piece of policy advice relating to this performance measure.

Performance reports 2024–25: Housing, rental and homelessness

Period of Annual Performance Statements

Functions of the Department of Social Services (DSS) were subject to a machinery of government change. Housing, rental and homelessness policy and the related programs under Outcome 4 – Housing were transferred from DSS to Treasury effective 13 May 2025, including responsibility for performance reporting.

The DSS Corporate Plan 2024–25 and Portfolio Budget Statements 2025–26 includes 4 performance measures for the National Agreement on Social Housing and Homelessness (NASHH), the National Rental Affordability Scheme (NRAS) and the initiative Safe Places Emergency Accommodation that were transferred to Treasury. The annual performance statements cover the 2024–25 reporting period (1 July 2024 to 30 June 2025) and provide reporting for these performance measures.

Outcome 4: Housing

Supporting access to safe and secure housing for individuals, including social housing, and providing targeted supports for preventing and addressing homelessness.

Program 4.1 – Housing and Homelessness

Contribute to and provide support for social housing and homelessness prevention initiatives, including the design and implementation of innovative early-stage projects.

Key activity — 4.1.1 National Agreement on Social Housing and Homelessness

The NASHH with state and territory governments (states) was signed on 31 May 2024. The annual funding under the new 5-year agreement is around $1.8 billion a year from 2024–25. This includes doubling the Commonwealth homelessness funding component to $400 million a year. The states are required to match their share of the homelessness funding. The NASHH is outcomes focused, with an agreed monitoring and reporting framework. The objective is to help people who are experiencing, or at risk of, homelessness and support the effective operation of Australia's social housing and homelessness services sectors.

Program 4.2 – Affordable Housing

To improve the supply of affordable rental housing to low and moderate income households.

Key activity — 4.2.1 National Rental Affordability Scheme

The NRAS has been a key activity of the Affordable Housing program since its commencement in 2008. The NRAS provides an annual retrospective financial incentive for approved participants who rent dwellings to eligible people on low to moderate incomes at a rate at least 20 per cent below market rent.

As announced in the 2014–15 Budget, there will be no further funding rounds or new allocations of NRAS incentives beyond those allocated in the Scheme and held by approved participants. The scheme will conclude in June 2026, at the completion of the 10-year incentive period for the final allocations.

Changes to performance measures

Amendments have been made to the performance information published in the DSS Corporate Plan 2024–25. The amendments relate to the published methodology and target for performance measure 2.1.2-1 and are a non-significant variation.

Performance measure 2.1.2-1

Confirmation a funded Safe Places project(s) activity details have been completed (i.e. capital works/building phase completed) and is tenanted.

Published methodology	A safe place in the Safe Places Emergency Accommodation Program (Round 1) was defined by individual grant applications. Grantees identified the numbers of safe places to be made available under their safe places project.
Amended methodology	For purposes of performance reporting, a safe place has been defined as 1 bedroom equating to 2 safe places in line with Safe Places Inclusion Round. This definition has been applied to the methodology for calculating the performance result and the target for both Round 1 and the Safe Places Inclusion Round. This amendment allows for consistent reporting for both funding rounds in 2024–25 and forward years.
Published target	≥ 665 = 44% of program target.
Amended target	≥ 713

Safe Places Emergency Accommodation Performance Measure

Performance measure 2.1.2-1

Confirmation a funded Safe Places project(s) activity details have been completed (i.e. capital works/building phase completed) and is tenanted.

Methodology	The target will be considered met if 75% or more (6 or more of 8) of the department's national programs meet their intended output target, based on tailored criteria developed for assessment across the programs. The target will be considered partially met if 50-74% (4 to 5 out of 8) of the national programs successfully achieve their target and not met if less than 50% (3 or below out of 8) successfully achieve their target.
Target	The success criterion is met if the total number of safe places delivered is greater than or equal to the prior year's target. ≥ 713
Data sources	Department of Social Services projects management spreadsheet containing Safe Places Applications and milestone evidence from grantees.
Source	PBS Program 2.1 – Families and Communities (Department of Social Services) Department of Social Services Corporate Plan 2024–25
Performance achieved 2024–25	**Not met** 669 funded Safe Places have been completed and are tenanted.
Performance achieved over time	In 2023–24 the Department of Social Services reported a result of 'not met' with 499 funded Safe Places completed and tenanted. In 2022–23 the Department of Social Services reported a result of 'met' with 245 funded Safe Places completed and tenanted. In 2021–22 the Department of Social Services reported a result of 'met' with 91 funded Safe Places completed and tenanted.

Analysis

The Department of Social Services is reporting that the performance target was not met.

In 2024–25, 669 funded safe places have been completed and are tenanted nationally, an increase of 170 safe places compared to the previous financial year (499). This comprised 653 funded safe places for the Safe Places Emergency Accommodation Program (Round 1) and 16 funded safe places for the Safe Places Inclusion Round.

The 2024–25 results did not meet the program's performance target due to delays in capital works. Grantees experienced capital works delays due to planning approvals, contractor availability and cost escalations. Others encountered difficulties securing operational funding to commence services once construction was complete, delaying activation of some properties. This has been corroborated by research conducted by the Institute of Public Affairs which shows that average construction time for a home has increased by 50 per cent and building material costs also increased by 53 per cent in the same period.

For Round 1, applicants could determine the number of safe places based on their service models, so the measure did not necessarily equate to a bed or room. This resulted in the number of safe places equalling the number of women and children who could be supported at one time. For purposes of reporting the performance result, a safe place is reported as 1 bedroom equating to 2 safe places in line with the Safe Places Inclusion Round. The definition was applied to Round 1 for consistency of reporting in 2024–25.

The target has been revised from 665 to 713 funded safe places to account for the inclusion of projects funded under the Safe Places Inclusion Round and to provide consistency across both rounds.

Key activity — 4.1.1 National Agreement on Social Housing and Homelessness

Performance measure 4.1.1-1

All parties to the NASHH meet its requirements.

Methodology	Reporting will be based on qualitive assessment of whether parties to the National Agreement on Social Housing and Homelessness (NASHH) have met their requirements under the NASHH to: • annually report against the National Outcomes Framework and submit Statements of Assurance • publish a housing and homelessness strategy that meets the requirements outlined in the NASHH • contribute to the ongoing collection and transparent reporting of agreed data.
Target	**4.1.1-1A** – A publicly available housing and homelessness strategy that meets the requirements outlined in the NASHH from each state. All states have strategies that meet the criteria in the NASHH and include this information in their bilateral schedule. **4.1.1-1B** – Complete and timely reporting by the states against the compulsory measure in the National Outcomes Framework on social housing measures, including number and change in social housing dwellings, overcrowding and dwelling condition. All states report against all compulsory and other nominated measures. **4.1.1-1C** – Complete and timely reporting by the states against the compulsory measures in the National Outcomes Framework on homelessness, including unmet demand and supported requests for homelessness services, and return to homelessness. All states report against all compulsory and other nominated measures. **4.1.1-1D** – Complete and timely reporting by the states against the Statement of Assurance. All states report against all compulsory and other nominated measures.
Data sources	Productivity Commission's annual report on Government Services. Australian Institute of Health and Welfare's Specialist Homelessness Services database. NASHH Statement of Assurance, submitted to the Commonwealth. Relevant state and territory government departmental websites where housing and homelessness strategies are published.
Source	PBS Program 4.1 – Housing and Homelessness (Department of Social Services) Department of Social Services Corporate Plan 2024–25
Performance achieved 2024–25	**4.1.1-1A – Met** All states and territories met their requirements under the National Housing and Homelessness Agreement. **4.1.1-1B – Not yet available: reporting after 31 December 2025.** **4.1.1-1C – Not yet available: reporting after 31 December 2025.** **4.1.1-1D – Not yet available: reporting after 31 December 2025.**
Performance achieved over time	The NASHH commenced on 1 July 2024 and there is no prior year reporting. The NASHH replaced the National Housing and Homelessness Agreement which ended in June 2024.

Analysis

The Department of Social Services is reporting that the 4.1.1-1A performance target was met.

During 2024–25 state and territory housing and homelessness strategies were reviewed every month to ensure they met the requirements of the NASHH prior to payment of NASHH funding to the state and territory governments (target 4.1.1-1A). State and territory governments met their commitments in the NASHH by publicly communicating that they understood the challenges faced in housing and homelessness, and how they would be addressed in each jurisdiction.

Under the NASHH, reporting against the national outcomes framework (targets 4.1.1-1B and 4.1.1-1C) and statements of assurance (target 4.1.1-1D) is not required until 31 December 2025. Treasury will review state and territory government NASHH reporting for 2024–25 after 31 December 2025 to ensure it is complete. Data from these reports will also be available on Australian Institute of Health, and Welfare and Productivity Commission websites as part of their usual series of publications on social housing and homelessness.

Key activity — 4.2.1 National Rental Affordability Scheme

Performance measure 4.2.1-1

Incentives are issued in a timely manner to approved participants.

Methodology	The per cent of statements of compliance processed within 60 business days is based on the date: • an approved participant notifies the department they have submitted a finalised statements of compliance • funds are released or the refundable tax offset certificate is issued for the relevant statement of compliance.
Target	At least 90% of statements of compliance are processed within 60 business days.
Data sources	Department of Social Services' Grants Payments System.
	Date of notification email from the approved participant.
Source	PBS Program 4.2 – Affordable Housing (Department of Social Services) Corporate Plan 2024–25 (Department of Social Services)
Performance achieved 2024–25	**Met** 96.7% of statements of compliance were processed within 60 business days.
Performance achieved over time	The Department of Social Services reported a result of 'met' for 2021–22 with 98.4%, 2022–23 with 94.1% and 2023–24 with 96.8% of statements of compliance processed within 60 business days.[a]

a) The Department of Social Services Annual Report 2023–24.

Analysis

The Department of Social Services is reporting that the performance target has been met.

The scheme provides incentives for approved participants who rent dwellings to eligible tenants at a rate of at least 20 per cent below market rent. The target of 90 per cent of statements of compliance being processed within 60 business days demonstrates the department's role as the administrator of the scheme.

The result reflects improved processes designed to increase efficiency and consistency of assessments. Streamlined workflows, clearer documentation requirements and structured assessment pathways enabled assessors to complete most claims within the 60-day period. These enhancements significantly reduced the amount of assessor re-work and improved the overall timeliness and quality of processing.

Proactive engagement with approved participants also contributed to the result. The team worked closely with approved participants to encourage timely, accurate claim submissions and provided support to resolve issues early. This approach reduced the number of follow-ups required and helped claims move more efficiently through the assessment phase.

The performance result is based on the previous National Rental Affordability Scheme (NRAS) compliance process of 1 May 2023 to 30 April 2024. The 1 May 2024 to 30 April 2025 data is not available until all statements of compliance have been processed and finalised which is anticipated by 31 December 2025.

Performance measure 4.2.1-2

Incentives delivered through the National Rental Affordability Scheme are maximised to improve the supply of affordable rental housing to low and moderate income households.

Methodology	The active, provisional and total allocation under the scheme are reported quarterly, while incentives are paid on a yearly basis. For the purpose of this measure, the maximum number of allocations in the year is used.
Target	At least 90% of allocations set under the National Rental Affordability Scheme are active and receiving incentive payments.
Data sources	Department of Social Services' Grants Payments System.
Source	PBS Program 4.2 – Affordable Housing (Department of Social Services) Department of Social Services Corporate Plan 2024–25
Performance achieved 2024–25	**Met** 96.4% of allocations set under the National Rental Affordability Scheme were active and receiving incentive payments.
Performance achieved over time	The Department of Social Services reported a result of met for 2021–22 with 93.6%, 2022–23 with 94.5% and 2023–24 with 96.4% of allocations set under the National Rental Affordability Scheme were active and receiving incentive payments.

Analysis

The Department of Social Services is reporting that the performance target has been met.

NRAS has maintained the availability of affordable rental housing to low and moderate income households. The department cannot control whether an approved participant of the scheme will act in accordance with the National Rental Affordability Scheme Regulations 2020 and be eligible to receive an incentive payment. The department worked closely with approved participants to maintain the use of NRAS allocations and deliver affordable rental housing to low and moderate income households.

NRAS dwellings became available in stages, with the last tranche of NRAS dwellings joining the scheme in June 2016. The scheme will conclude in June 2026 when the 10-year term of all allocations will have ended. Quarterly data shows a steady decline in total allocations – from over 15,000 in early 2024 to 6,475 by March 2025 – as allocations progressively expire in the lead up to the scheme's conclusion.

The department has ensured a high proportion of the remaining allocations are compliant and eligible. The department actively managed risks associated with housing market pressures, such as dwelling withdrawals when investors left the scheme before the 10-year exit date and transfers when approved participants identified an alternative dwelling. These actions directly contributed to sustaining the proportion of active paid allocations and maintaining stakeholder confidence in the scheme during its final years.

The NRAS year for this performance period ran from 1 May 2023 to 30 April 2024. Incentive payment claims for this period were submitted by approved participants from 1 May 2024 to 30 September 2024 and assessed from 1 May 2024 to the end of 2024.

Financial performance

Departmental resourcing

Treasury received $398.9 million in departmental operating appropriations and $3.5 million in capital budget appropriations in 2024–25. Treasury's departmental resourcing is controlled by the Secretary to the Treasury and is provided for the day-to-day operations of Treasury.

Treasury recorded a an operating surplus of $8.9 million in 2024–25 under net cash appropriation arrangements (2023–24: $1.8 million operating loss). Treasury has a sound financial position and can meet its debt obligations as and when they fall due.

Administered resourcing

Treasury managed $208.3 billion in administered resourcing in 2024–25, including $2.3 billion in annual appropriations, $130.3 billion in special appropriations and $75.7 billion in special accounts. Treasury's administered resourcing is available for payments under the programs administered by Treasury on behalf of the Australian Government.

Treasury's total administered expenses in 2024–25 was $209.7 billion (2023–24: $196.0 billion). Of this total, $162.4 billion were for payments to the states and territories and $46.0 billion were Medicare Guarantee transfers to the Department of Health and Aged Care.

Treasury's total administered revenue in 2024–25 was $2.2 billion (2023–24: $2.9 billion).

Further details on Treasury's financial resources and expenses are in Table 6 and Table 7 below.

Resource tables

Table 6: Department of the Treasury resource statement 2024–25

	Current available appropriation	Payments made	Balance remaining
	2024–25 **$'000** **(a)**	**2024–25** **$'000** **(b)**	**2024–25** **$'000** **(a - b)**
Departmental			
Annual appropriations–ordinary annual services[1]			
Prior year appropriation available[2]	122,515	114,954	7,561
Departmental appropriation[3]	398,889	263,175	135,714
Departmental capital budget[4]	3,537	2,959	578
s74 External Revenue[5]	33,812	33,812	-
Annual Appropriations–other services–non-operating[6]			
Prior year appropriation available	303	-	303
Total departmental annual appropriations	**559,056**	**414,900**	**144,156**
Total departmental resourcing	**559,056**	**414,900**	**144,156**
Administered			
Annual appropriations–ordinary annual services[1]			
Prior year appropriation available[7]	63,246	300	62,946
Outcome 1[8]	177,397	127,378	50,019
Payment to corporate entities[9]	5,428	5,428	-
Annual appropriations–other services–non-operating[6]			
Prior year appropriation available–non-operating[10]	525,000	-	525,000
Administered assets and liabilities[11]	1,544,000	635,379	908,621
Total administered annual appropriations (c)	**2,315,071**	**768,485**	**1,546,586**
Total administered special appropriations[12] (d)	**130,281,299**	**130,281,299**	**-**

2

	Current available appropriation	Payments made	Balance remaining
	2024–25	**2024–25**	**2024–25**
	$'000	**$'000**	**$'000**
	(a)	**(b)**	**(a - b)**
Special accounts[13]			
Opening balance	207,863	164,888	42,975
Appropriation receipts	558,827	-	558,827
Adjustments	71,286,966	71,286,966	-
Non-appropriated receipts	3,694,681	2,885,980	808,701
Total special accounts (e)	**75,748,337**	**74,337,835**	**1,410,502**
Total administered resourcing (c + d + e)	**208,344,707**	**205,387,619**	**2,957,088**
Total resourcing and payments for Treasury	**208,903,763**	**205,802,519**	**3,101,244**

Note: Details of appropriations are disclosed in Note 6 of the Financial Statements.

1) Appropriation Act (No. 1) 2024–2025 and Appropriation Act (No. 3) 2024–2025.
2) Includes $7.561 million permanently withheld under section 51 of the PGPA Act. These funds are considered legally available appropriations as at 30 June 2025.
3) Includes $0.371 million permanently withheld under section 51 of the PGPA Act. These funds are considered legally available appropriations as at 30 June 2025.
4) Departmental capital budgets are not separately identified in Appropriation Acts and form part of ordinary annual services items. For accounting purposes, capital budget appropriations have been designated as a 'contribution by owner'.
5) External revenue receipts retained under section 74 of the PGPA Act.
6) *Appropriation Act (No. 2) 2024–2025* and *Appropriation Act (No. 4) 2024–2025.*
7) Include $53.075 million permanently withheld under section 51 of the PGPA Act. These funds are considered legally available appropriations as at 30 June 2025.
8) Includes $22.390 million permanently withheld under section 51 of the PGPA Act. These funds are considered legally available appropriations as at 30 June 2025.
9) 'Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the PGPA Act.
10) The full $525.000 million amount is permanently withheld under section 51 of the PGPA Act. These funds are considered legally available appropriations as at 30 June 2025.
11) Includes $562.173 million permanently withheld under section 51 of the PGPA Act. These funds are considered legally available appropriations as at 30 June 2025.
12) Excludes mirror taxes which are collected and retained by the States under the Commonwealth Places (Mirror Taxes) Act 1998.
13) Excludes trust moneys held in Services for Other Entities and Trust Moneys special account.

Table 7: Expenses for Treasury Outcome 1 2024–25

Outcome 1: 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.

	Budget*	Actual expenses	Variation
	2024–25 $'000 (a)	2024–25 $'000 (b)	2024–25 $'000 (a - b)
Program 1.1: Department of the Treasury			
Administered expenses			
Ordinary annual services	120,926	97,175	23,751
Special appropriations			
Corporations Act 2001	265,006	24,137	240,869
Special accounts			
Medicare Guarantee Fund Special Account	51,244,269	46,000,000	5,244,269
Housing Australia Future Fund Payments Special Account	5,100	6,290	(1,190)
Housing Australia Special Account	394,400	276,637	117,763
Payment to Corporate entities			
Housing Australia	5,428	5,428	-
Expenses not requiring appropriation in the Budget year[1]	13,862	55,476	(41,614)
Administered total	**52,048,991**	**46,465,143**	**5,583,848**
Departmental expenses			
Departmental appropriations[2]	386,384	379,172	7,212
s74 External Revenue[3]	11,072	10,106	966
Expenses not requiring appropriation in the Budget year[1]	25,680	26,174	(494)
Departmental total	**423,136**	**415,452**	**7,684**
Total expenses for Program 1.1	**52,472,127**	**46,880,595**	**5,591,532**

2

	Budget*	Actual expenses	Variation
	2024–25 **$'000** **(a)**	**2024–25** **$'000** **(b)**	**2024–25** **$'000** **(a - b)**
Program 1.2: International Financial Relations			
Administered expenses			
Special appropriations			
International Monetary Agreements Act 1947	654,266	649,403	4,863
Expenses not requiring appropriation in the Budget year[1]	350,004	203,336	146,668
Total expenses for Program 1.2	**1,004,270**	**852,739**	**151,531**
Program 1.3: Support for Markets and Business			
Administered expenses			
Ordinary annual services	32,353	30,100	2,253
Expenses not requiring appropriation in the Budget year[1]	22,451	-	22,451
Total expenses for Program 1.3	**54,804**	**30,100**	**24,704**
Program 1.4: Commonwealth-State Financial Relations			
Administered expenses			
Special appropriations			
Federal Financial Relations Act 2009	130,087,625	130,749,550	(661,925)
Special accounts			
CoAG Reform Fund	24,557,344	29,676,929	(5,099,585)
Expenses not requiring appropriation in the Budget year[1]	421,151	1,924,018	(1,502,867)
Total expenses for Program 1.4	**155,086,120**	**162,350,497**	**(7,264,377)**

	Budget*	Actual expenses	Variation
	2024–25	**2024–25**	**2024–25**
	$'000	**$'000**	**$'000**
	(a)	**(b)**	**(a - b)**
Outcome 1 Totals by appropriation type			
Administered expenses			
Ordinary annual services	153,279	127,275	26,004
Special appropriations	131,006,897	131,423,090	(416,193)
Special accounts	76,221,113	75,959,856	261,257
Payment to corporate entities	5,428	5,428	-
Expenses not requiring appropriation in the Budget year[1]	807,468	2,182,830	(1,375,362)
Administered total	**208,194,185**	**209,698,479**	**(1,504,294)**
Departmental expenses			
Departmental appropriations[2]	386,384	379,172	7,212
s74 External Revenue[3]	11,072	10,106	966
Expenses not requiring appropriation in the Budget year[1]	25,680	26,174	(494)
Departmental total	**423,136**	**415,452**	**7,684**
Total expenses for Outcome 1	**208,617,321**	**210,113,931**	**(1,496,610)**

	2024–25	**2024–25**
Average staffing level (number)	1,601	1,671

* 2024–25 Revised estimated expense amounts as published in Portfolio Additional Estimates Statements 2024–25 (PAES).

1) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, resources received free of charges, foreign exchange losses, guarantee claim expenses and grants provision expenses.

2) Departmental appropriations include ordinary annual services (Appropriation Acts No. 1 and No. 3).

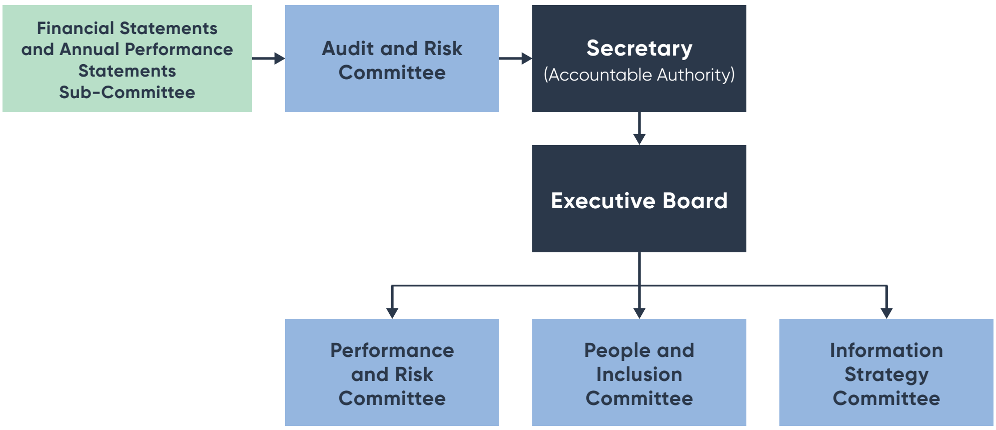
3) Estimated expenses incurred in relation to Treasury's revenue from contracts with customers that were retained under section 74 of the *Public Governance, Performance and Accountability Act 2013.*

Part 3
Management and accountability

Corporate governance

Treasury's corporate governance structure supports several functions. It focuses the department on achieving its purpose. It facilitates proper use and management of public resources. It drives our risk and control systems. It also ensures the department's financial sustainability.

Figure 14: Treasury's enterprise governance committee structure



Governance committees

Executive Board

The Executive Board comprises the Secretary and Deputy Secretaries. The Executive Board supports the Secretary to discharge their duties under the *Public Governance, Performance and Accountability Act 2013* and section 57 of the *Public Service Act 1999.*

Performance and Risk Committee

The Performance and Risk Committee is an advisory and decision-making group with responsibility for ensuring consistent and integrated business operations across Treasury. Its responsibilities include business planning and continuity, performance monitoring and reporting, enterprise risk management and systems of internal control, security, cyber security and asset management.

People and Inclusion Committee

The People and Inclusion Committee is an advisory and decision-making group. It has responsibility for ensuring the department's workforce is safe, effective and engaged. It ensures the department has the workforce capacity and inclusive culture required to deliver on its purpose. The People and Inclusion Committee also has specific responsibilities for work health and safety, and for receiving regular reports from internal consultation forums related to work health and safety and workplace relations.

Information Strategy Committee

The purpose of the Information Strategy Committee is to support and provide governance of department-wide information related strategic issues and drive digital information innovation. This includes oversight of information and data governance standards, data and analytics capability and use and implementation of new technologies, such as AI and digital tools.

Audit and Risk Committee

The Treasury's Audit and Risk Committee has been established in accordance with section 45 of the *Public Governance, Performance and Accountability Act 2013*. The Audit and Risk Committee provides independent advice to the Secretary on the appropriateness of the department's financial reporting, performance reporting, system of risk oversight and management, and the system of internal control. The Audit and Risk Committee Charter is available on the Treasury website at treasury.gov.au/the-department/corporate-publications/audit-risk-committee-charter

The Financial Statements and Annual Performance Statements Sub-Committee provides advice to the Audit and Risk Committee on the preparation and sign-off of Treasury's financial statements and annual performance statements. The Financial Statements and Annual Performance Statements Sub-Committee is directly accountable to the Audit and Risk Committee for the performance of its functions.

The Audit and Risk Committee has 3 members – an independent chair and 2 independent members.

The Audit and Risk Committee met 5 times in 2024–25 and received regular briefings from Treasury management on priorities, operations and risks, as well as the outcomes of risk and audit activities.

Table 8: Audit and Risk Committee members – qualifications, attendance and remuneration

Name	Position and Role	Qualifications	Experience	Date of Commencement	Date of Cessation	Attendance	Remuneration[a]
Mr Don Cross	• External Member • Audit and Risk Committee Chair • Financial Statements and Annual Performance Statements Subcommittee Chair • Performance and Risk Committee Observer	• Fellow of the Institute of Chartered Accountants and a Certified Practising Accountant • Numerous qualifications and professional memberships in accounting, fraud control, business, and auditing	• Mr Cross has a background in financial audit, internal audit, management assurance and performance and program management. He leverages this background, skills and experience as the Chair or as a Member of Audit and Risk Committees for federal government departments and Corporate Commonwealth Entities delivering policy, regulatory and service delivery functions.	1 August 2019	-	5/5	$48,930
Mr Carl Murphy	• External Member	• Master of Public Administration • Certified Practising Accountant (retired) • Graduate of the Australian Institute of Company Directors • Bachelor of Arts (Hons)	• Member, Wollongong Council Audit, Risk and Improvement Committee Senior Moderator, The Cranlana Centre for Ethical Leadership Consultancy Practice to government and not-for-profits in governance and organisational change. • Previous senior executive roles in the departments of Infrastructure, Regional Development and Cities; Finance; and the Environment.	2 November 2020	15 November 2024	3/3	$6,256

Name	Position and Role	Qualifications	Experience	Date of Commencement	Date of Cessation	Attendance	Remuneration[a]
Ms Carol Lilley	• External Member	• Bachelor of Commerce • Graduate of the Australian Institute of Company Directors • Fellow of Chartered Accountants Australia and New Zealand, • Certified internal auditor and was a registered company auditor	• Independent board director and chair or member of several Commonwealth Government audit committees. • Previous Partner at a large accounting firm and has over 20 years' experience in financial statement audit, internal audit and project and risk management, with a particular focus on government.	28 October 2021	-	5/5	$46,486
Mr Greg Divall	• External Member	• Bachelor of Applied Science (Mathematics) • Master of Business Administration • Graduate of the Australian Institute of Company Directors	• Current member of several Audit and Risk Committees across Commonwealth and state government agencies. Over 20 years' experience in Commonwealth Senior Executive Service leadership roles in Centrelink and the departments of Defence, Human Services, Treasury, Climate Change and Energy Efficiency and Industry. • Current member of Defence Independent Assurance Board.	21 October 2024	-	3/3	$22,748

a) Where applicable, remuneration is GST inclusive and covers preparation for and attendance at meetings of the Audit and Risk Committee, as well as meeting preparation and attendance at sub-committees (where relevant) and other meetings as required by the member's role.

Consultation committees

Two consultation committees support Treasury's enterprise governance committees.

Health and Safety Committee

The Health and Safety Committee assists the Secretary in carrying out their statutory obligations in accordance with the *Work Health and Safety Act 2011.* The Health and Safety Committee facilitates cooperation between Treasury management and employees to develop and review health and safety policies, procedures and initiatives, and manage health and safety risks in the workplace.

Workplace Relations Committee

The Workplace Relations Committee is Treasury's primary staff consultation body, convened in accordance with the *Treasury Enterprise Agreement 2024–2027*. The Workplace Relations Committee plays an important role in facilitating ongoing, open and transparent consultation between Treasury and its employees relating to issues affecting the working environment and employment conditions.

Risk management

Governance committees endorsed Treasury's revised risk management policy and framework in 2024–25. Treasury's risk management policy and framework provide the basis for continued improvement and embedding risk management processes during the reporting year.

Our governance arrangements for risk reporting through the Performance and Risk Committee, the independent Audit and Risk Committee, and the Executive Board provide the Secretary with assurance that risk is assessed and managed.

Fraud prevention and control

Treasury has a fraud and corruption control plan, as well as processes and systems for the prevention and detection of fraud and corruption. The control plan outlines how we respond to and report incidents of fraud and corruption in accordance with section 10 of the Public Governance, Performance and Accountability Rule 2014.

We are committed to strengthening fraud and corruption control arrangements and enhancing awareness of officials' obligations under the new Commonwealth Fraud and Corruption Control Framework, which commenced on 1 July 2024, and the *National Anti-Corruption Commission Act 2022*. Key initiatives in 2024–25 included updating the Fraud and Corruption Control Plan, reviewing associated training and guidance materials, and engaging with relevant enterprise governance committees to ensure alignment with best practices and legislative requirements.

Treasury reports fraud information annually to the Treasurer and the Australian Institute of Criminology. Treasury's 2024–25 fraud certification can be found in the Letter of Transmittal.

Internal audit arrangements

Internal audits provide independent advice and assurance to the Secretary about the effectiveness of our governance, risk, compliance and performance arrangements, and our financial and operational controls. The internal audit program improves our ability to manage risks and drive performance.

Treasury's internal auditors deliver independent advice and assurance in line with our 3-year Strategic Internal Audit Plan. This Plan is developed by Treasury and our internal auditors in consultation with the independent Audit and Risk Committee, Performance and Risk Committee, the Executive Board and other departmental stakeholders.

In 2024–25, our internal auditors delivered a program of audits across the broad range of Treasury functions. These included performance, compliance and control, efficiency, and in-flight audits, as well as management-initiated reviews.

Integrity and ethical standards

Treasury holds itself to the highest standards of ethical conduct and professional behaviour. A comprehensive set of policies and procedures aligned with the APS Code of Conduct and Values, is in place to ensure staff uphold the standards in the *Public Service Act 1999.*

We continued to strengthen our pro-integrity culture in 2024–25 through implementation of our Integrity Strategy, the APS Integrity Taskforce action plan and Commonwealth Integrity Maturity Framework. Adopting the new APS value of Stewardship further enhanced the integrity of our work. We used our collective experience, diversity, and resources to support the ethical and sustainable delivery of policies and programs.

Significant non-compliance issues with finance law

There were no significant instances of non-compliance with the finance law reported to the responsible minister in 2024–25.

External scrutiny

Treasury operations were subject to oversight by several external bodies in the reporting period, including Parliamentary committees, the Commonwealth Ombudsman, National Anti-Corruption Commission, Australian National Audit Office (ANAO), Administrative Appeals Tribunal and Office of the Australian Information Commissioner.

External audit

The ANAO tabled 2 performance audit reports involving Treasury during 2024–25.

Auditor-General Report No.16 *Design of the Energy Price Relief Plan* was tabled on 11 December 2024. There was one recommendation about Treasury's risk management arrangements. Treasury agreed with the recommendation.

Auditor-General Report No.34 *Treasury's Design and Implementation of the Measuring What Matters Framework,* was tabled 22 May 2025. There were 2 recommendations to Treasury: monitoring and evaluation of how Measuring What Matters is being embedded across government; and arrangements for delivering and publishing the next Measuring What Matters statement. Treasury agreed to the 2 recommendations.

Treasury was advised that the ANAO would continue the program of work with Treasury's annual performance statements in 2024–25.

Auditor-General Report No. 25 *Performance Statements Auditing in the Commonwealth – Outcomes from the 2023–24 Audit Program* included the audit of Treasury's annual performance statements for 2023–24. This was the third year Treasury participated in this audit program. The report assessed the overall maturity of Treasury's approach to performance reporting as 'advanced'.

Our people

Treasury is committed to creating a trusted, responsive and highly ethical workforce with the right culture and expertise to deliver now and into the future.

Performance management

Treasury manages the ongoing development of its employees in a high-performance work culture through the Performance Development System and the Senior Executive Service (SES) Performance Leadership Framework. The objectives of the system are:

- continuously improving organisational performance to enable the department to achieve its strategic outcomes and priorities
- providing a framework for individual and organisational performance and expected behaviours, including supporting development and career planning
- providing an approach to ensure regular and meaningful feedback enabling individuals to understand how their day-to-day work contributes to the department's goals and objectives
- providing mechanisms for addressing declines in performance and appropriately managing underperformance.

Outcomes and behavioural expectations of Treasury SES officers are aligned to the APS Performance Leadership Framework.

Learning and development

Treasury delivered a range of training programs online and in-person in 2024–25, with a focus on enhancing accountability and core APS skills across all classifications. This included the leadership capabilities of Senior Executive Service (SES) and Executive Level (EL) staff. Development areas included integrity, governance and active bystander training.

Employees continued to supplement their professional development with APS Academy courses and the Treasury study assistance program. Employees also accessed external opportunities, including:

- Sir Roland Wilson Scholarship Program undertaken at the Australian National University
- Australia and New Zealand School of Government's Executive Master of Public Administration
- National Security College development programs
- Australian Public Service Commission Jawun secondments.

Entry level programs

The department provides graduate opportunities through the Treasury Graduate Development Program and leads the recruitment for the Australian Government Graduate Program Economist Stream for participating APS agencies.

The Treasury Graduate Development Program is a 2-year program involving work placements, on-the-job training and structured learning and development. In February 2025, 44 candidates were accepted into the program.

Treasury also participates in whole-of-government entry level programs, including the Australian Government Graduate Programs in:

- Human Resources
- Data
- Science, technology, engineering and maths
- Legal
- Accounting/Finance
- School Leavers
- Indigenous Apprentices.

In 2024–25 Treasury continued its Internship Program. It engaged 5 interns to undertake paid work-based placements at the APS2 classification level, to further build entry-level career pathways.

Staffing information

Treasury had 1,654 employees at 30 June 2025. The average staffing level across 2024–25 was 1,670.5.

Over half (52.8 per cent) of Treasury's workforce are women, 76.4 per cent are 45 years of age or under, 3.8 per cent identify as having an ongoing disability, 1.2 per cent identify as Aboriginal and/or Torres Strait Islander, and 14.9 per cent identify that their first language is not exclusively English.

At 30 June 2025, women comprised 52.1 per cent of the operative SES cohort, including higher duties arrangements. Treasury has achieved its gender parity target for female SES representation. Treasury's geographic footprint extends beyond Canberra, with offices in Sydney, Melbourne and Perth, and officers posted or deployed overseas.

Strategic Commissioning Framework

In 2024–25 Treasury took steps to bring core work in-house in line with the APS Strategic Commissioning Framework. The target for 2024–25 aimed at bringing $290,907 (excluding GST) of core work in-house in Portfolio Program and Project Management functions. This target was achieved, with an actual reduction of $343,561.70 (excluding GST) in relevant supplier expenditure in 2024–25.

Table 9: All ongoing employees current report period (2024–25)

State/Territory	Male			Female			Uses other term			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	Full-time	Part-time	Total Uses other term	
NSW	89	5	94	98	20	118	0	0	0	**212**
Qld	0	0	0	0	0	0	0	0	0	**0**
SA	1	0	1	0	0	0	0	0	0	**1**
Tas	0	0	0	2	0	2	0	0	0	**2**
Vic	103	10	113	87	8	95	0	0	0	**208**
WA	3	0	3	6	3	9	0	0	0	**12**
ACT	508	28	536	519	90	609	0	0	0	**1,145**
NT	0	0	0	0	0	0	0	0	0	**0**
External Territories	0	0	0	0	0	0	0	0	0	**0**
Overseas	9	0	9	5	0	5	0	0	0	**14**
Total	**713**	**43**	**756**	**717**	**121**	**838**	**0**	**0**	**0**	**1,594**

Table 10: All ongoing employees previous report period (2023–24)

State/Territory	Male			Female			Uses other term			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	Full-time	Part-time	Total Uses other term	
NSW	85	3	88	85	19	104	0	0	0	**192**
Qld	0	0	0	0	0	0	0	0	0	**0**
SA	0	0	0	0	0	0	0	0	0	**0**
Tas	0	0	0	0	0	0	0	0	0	**0**
Vic	75	8	83	71	6	77	0	0	0	**160**
WA	3	0	3	5	1	6	0	0	0	**9**
ACT	534	28	562	562	84	646	0	0	0	**1,208**
NT	0	0	0	0	0	0	0	0	0	**0**
External Territories	0	0	0	0	0	0	0	0	0	**0**
Overseas	9	0	9	3	0	3	0	0	0	**12**
Total	**706**	**39**	**745**	**726**	**110**	**836**	**0**	**0**	**0**	**1,581**

Table 11: All non-ongoing employees current report period (2024–25)

State/Territory	Male			Female			Uses other term			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	Full-time	Part-time	Total Uses other term	
NSW	2	2	4	4	4	8	0	0	0	**12**
QLD	0	0	0	0	0	0	0	0	0	**0**
SA	0	0	0	0	0	0	0	0	0	**0**
TAS	0	0	0	0	0	0	0	0	0	**0**
VIC	4	3	7	0	2	2	0	0	0	**9**
WA	0	0	0	0	0	0	0	0	0	**0**
ACT	4	10	14	7	18	25	0	0	0	**39**
NT	0	0	0	0	0	0	0	0	0	**0**
External Territories	0	0	0	0	0	0	0	0	0	**0**
Overseas	0	0	0	0	0	0	0	0	0	**0**
Total	**10**	**15**	**25**	**11**	**24**	**35**	**0**	**0**	**0**	**60**

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Table 12: All non-ongoing employees previous report period (2023–24)

State/Territory	Male			Female			Uses other term			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	Full-time	Part-time	Total Uses other term	
NSW	0	3	3	3	4	7	0	0	0	**10**
Qld	0	0	0	0	0	0	0	0	0	**0**
SA	0	0	0	0	0	0	0	0	0	**0**
Tas	0	0	0	0	0	0	0	0	0	**0**
Vic	4	3	7	2	5	7	0	0	0	**14**
WA	0	0	0	1	0	1	0	0	0	**1**
ACT	6	16	22	18	20	38	0	0	0	**60**
NT	0	0	0	0	0	0	0	0	0	**0**
External Territories	0	0	0	0	0	0	0	0	0	**0**
Overseas	0	0	0	0	0	0	0	0	0	**0**
Total	**10**	**22**	**32**	**24**	**29**	**53**	**0**	**0**	**0**	**85**

Table 13: Australian Public Service Act ongoing employees current report period (2024–25)

Level	Male			Female			Uses other term			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	Full-time	Part-time	Total Uses other term	
SES 3	3	0	3	5	0	5	0	0	0	**8**
SES 2	9	2	11	14	0	14	0	0	0	**25**
SES 1	41	2	43	39	4	43	0	0	0	**86**
EL 2	128	12	140	121	31	152	0	0	0	**292**
EL 1	238	14	252	236	43	279	0	0	0	**531**
APS 6	186	8	194	181	25	206	0	0	0	**400**
APS 5	68	3	71	82	12	94	0	0	0	**165**
APS 4	13	0	13	15	3	18	0	0	0	**31**
APS 3	24	1	25	23	2	25	0	0	0	**50**
APS 1-2	3	1	4	1	1	2	0	0	0	**6**
Other	0	0	0	0	0	0	0	0	0	**0**
Total	**713**	**43**	**756**	**717**	**121**	**838**	**0**	**0**	**0**	**1,594**

Table 14: Australian Public Service Act ongoing employees previous report period (2023–24)

Level	Male			Female			Uses other term			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	Full-time	Part-time	Total Uses other term	
SES 3	2	0	2	4	0	4	0	0	0	**6**
SES 2	11	0	11	13	0	13	0	0	0	**24**
SES 1	46	3	49	40	2	42	0	0	0	**91**
EL 2	119	9	128	139	27	166	0	0	0	**294**
EL 1	249	19	268	229	39	268	0	0	0	**536**
APS 6	158	4	162	175	25	200	0	0	0	**362**
APS 5	74	3	77	89	12	101	0	0	0	**178**
APS 4	13	1	14	12	2	14	0	0	0	**28**
APS 3	33	0	33	23	3	26	0	0	0	**59**
APS 2	0	0	0	0	0	0	0	0	0	**0**
APS 1	1	0	1	2	0	2	0	0	0	**3**
Other	0	0	0	0	0	0	0	0	0	**0**
Total	**706**	**39**	**745**	**726**	**110**	**836**	**0**	**0**	**0**	**1,581**

Table 15: Australian Public Service Act non-ongoing employees current report period (2024–25)

Level	Male			Female			Uses other term			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	Full-time	Part-time	Total Uses other term	
SES 3	0	0	0	0	0	0	0	0	0	**0**
SES 2	0	0	0	0	0	0	0	0	0	**0**
SES 1	0	0	0	0	0	0	0	0	0	**0**
EL 2	0	4	4	1	2	3	0	0	0	**7**
EL 1	5	1	6	4	2	6	0	0	0	**12**
APS 6	1	0	1	4	1	5	0	0	0	**6**
APS 5	0	1	1	0	0	0	0	0	0	**1**
APS 4	4	0	4	1	1	2	0	0	0	**6**
APS 3	0	1	1	1	3	4	0	0	0	**5**
APS 1-2	0	8	8	0	15	15	0	0	0	**23**
Other	0	0	0	0	0	0	0	0	0	**0**
Total	**10**	**15**	**25**	**11**	**24**	**35**	**0**	**0**	**0**	**60**

Table 16: Australian Public Service Act non-ongoing employees previous report period (2023–24)

Level	Male			Female			Uses other term			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	Full-time	Part-time	Total Uses other term	
SES 3	0	0	0	0	0	0	0	0	0	**0**
SES 2	0	0	0	0	0	0	0	0	0	**0**
SES 1	0	0	0	0	0	0	0	0	0	**0**
EL 2	3	1	4	0	3	3	0	0	0	**7**
EL 1	2	1	3	5	2	7	0	0	0	**10**
APS 6	3	0	3	2	1	3	0	0	0	**6**
APS 5	1	0	1	6	4	10	0	0	0	**11**
APS 4	1	2	3	7	1	8	0	0	0	**11**
APS 3	0	3	3	2	4	6	0	0	0	**9**
APS 2	0	15	15	2	13	15	0	0	0	**30**
APS 1	0	0	0	0	1	1	0	0	0	**1**
Other	0	0	0	0	0	0	0	0	0	**0**
Total	**10**	**22**	**32**	**24**	**29**	**53**	**0**	**0**	**0**	**85**

Table 17: Australian Public Service Act employees by full-time and part-time status current report period (2024–25)

Level	Ongoing			Non-Ongoing			Total
	Full-time	Part-time	Total Ongoing	Full-time	Part-time	Total Non-Ongoing	
SES 3	8	0	8	0	0	0	**8**
SES 2	23	2	25	0	0	0	**25**
SES 1	80	6	86	0	0	0	**86**
EL 2	249	43	292	1	6	7	**299**
EL 1	474	57	531	9	3	12	**543**
APS 6	367	33	400	5	1	6	**406**
APS 5	150	15	165	0	1	1	**166**
APS 4	28	3	31	5	1	6	**37**
APS 3	47	3	50	1	4	5	**55**
APS 1-2	4	2	6	0	23	23	**29**
Other	0	0	0	0	0	0	**0**
Total	**1,430**	**164**	**1,594**	**21**	**39**	**60**	**1,654**

Table 18: Australian Public Service Act employees by full-time and part-time status previous report period (2023–24)

Level	Ongoing			Non-Ongoing			Total
	Full-time	Part-time	Total Ongoing	Full-time	Part-time	Total Non-Ongoing	
SES 3	6	0	6	0	0	0	**6**
SES 2	24	0	24	0	0	0	**24**
SES 1	86	5	91	0	0	0	**91**
EL 2	258	36	294	3	4	7	**301**
EL 1	478	58	536	7	3	10	**546**
APS 6	333	29	362	5	1	6	**368**
APS 5	163	15	178	7	4	11	**189**
APS 4	25	3	28	8	3	11	**39**
APS 3	56	3	59	2	7	9	**68**
APS 2	0	0	0	2	28	30	**30**
APS 1	3	0	3	0	1	1	**4**
Other	0	0	0	0	0	0	**0**
Total	**1,432**	**149**	**1,581**	**34**	**51**	**85**	**1,666**

Table 19: Australian Public Service Act employment type by location current report period (2024–25)

State/Territory	Ongoing	Non-Ongoing	Total
NSW	212	12	**224**
QLD	0	0	**0**
SA	1	0	**1**
TAS	2	0	**2**
VIC	208	9	**217**
WA	12	0	**12**
ACT	1,145	39	**1,184**
NT	0	0	**0**
External Territories	0	0	**0**
Overseas	14	0	**14**
Total	**1,594**	**60**	**1,654**

Table 20: Australian Public Service Act employment type by location previous report period (2023–24)

State/Territory	Ongoing	Non-Ongoing	Total
NSW	192	10	**202**
Qld	0	0	**0**
SA	0	0	**0**
Tas	0	0	**0**
Vic	160	14	**174**
WA	9	1	**10**
ACT	1,208	60	**1,268**
NT	0	0	**0**
External Territories	0	0	**0**
Overseas	12	0	**12**
Total	**1,581**	**85**	**1,666**

Table 21: Australian Public Service Act Indigenous employment current report period (2024–25)

Employment type	Total
Ongoing	19
Non-Ongoing	0
Total	**19**

Table 22: Australian Public Service Act Indigenous employment previous report period (2023–24)

Employment type	Total
Ongoing	20
Non-Ongoing	0
Total	**20**

Workplace relations

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

Treasury has a Workplace Relations Committee. Treasury consults with, and considers the views of, the Workplace Relations Committee on issues such as Treasury's working environment and the implementation and operation of the enterprise agreement, as these affect employment terms and conditions. The Workplace Relations Committee membership includes representatives from the Community and Public Sector Union and Treasury's employee diversity networks to ensure a range of voices and maintain inclusion as a key element in workplace policy development. This helps Treasury sustain good organisational culture that continues to be reflected in our APS Census results. Treasury also undertakes consultation with employees and relevant union(s) outside of the Workplace Relations Committee forum on key organisational changes.

SES remuneration

Treasury provides an SES remuneration package in recognition of all hours worked, including any reasonable additional hours. SES staff are not entitled to overtime payments, penalty rates or time off in lieu.

SES employees received a 3.8 per cent salary increase effective 13 March 2025 in accordance with the government's *Public Sector Workplace Relations Policy 2023*.

Individual determinations made under subsection 24(1) of the *Public Service Act 1999* are supported by a remuneration determination that establishes pay levels within each SES classification. SES employees advance through relevant pay levels for their classification based on performance as assessed under the SES Performance Leadership Framework. Treasury does not offer performance pay.

Table 23: Australian Public Service Act employment salary ranges by SES classification level (minimum/maximum) current report period (2024–25)

Level	Minimum salary	Maximum salary
SES 3	$376,314	$440,723
SES 2	$290,382	$339,876
SES 1	$236,924	$275,360

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Non-SES remuneration

Non-SES employees received a 3.8 per cent salary increase effective 13 March 2025 in accordance with the enterprise agreement.

The enterprise agreement establishes pay levels within each APS and Executive Level classification level. Non-SES employees advance through relevant pay levels for their classification based on performance as assessed under the Treasury Performance Development System.

For Treasury employees at overseas posts, Treasury is also guided by the conditions of service that are maintained by the Department of Foreign Affairs and Trade.

Table 24: Non-SES remuneration by classification level (minimum/maximum) current report period (2024–25)

Level	Minimum salary	Maximum salary
EL2	$162,193	$186,140
EL1	$132,786	$152,319
APS6	$101,799	$123,328
APS5	$90,244	$96,022
APS4	$80,266	$84,465
APS3	$71,864	$76,059
APS2	$63,461	$67,665
APS1	$55,059	$59,789
Other	$0	$0

Employment arrangements

Table 25: Australian Public Service Act employment arrangements current report period (2024–25)

Arrangement title	SES	Non-SES	Total
Enterprise Agreement	0	1,475	**1,475**
Section 24(1) Determination	119	0	**119**
Australian Workplace Agreement	0	0	**0**
Individual Flexibility Arrangement [(a)]	0	7	**7**
Total	**119**	**1,475**	**1,594**

a) Employees with an individual flexibility arrangement in place are employed under Treasury's Enterprise Agreement and included in the 1,594 employees provided in the table for that purpose. The 7 employees with an individual flexibility arrangement are not separately counted for the purposes of the total provided in the table.

Procurement

Performance against the Commonwealth Procurement Rules

Treasury's procurement activities were undertaken in accordance with the *Public Governance, Performance and Accountability Act 2013*, Commonwealth Procurement Rules, and the Commonwealth Government's Indigenous Procurement Policy. Treasury applies these requirements through its internal financial and procurement policies.

Information on all Treasury contracts awarded with a value of $10,000 (including GST) or more is available on AusTender at tenders.gov.au.

Exempt contracts

No contracts valued at more than $10,000 (including GST) or standing offers were exempted by the Secretary from being published on AusTender on the basis that it would disclose exempt matters under the *Freedom of Information Act 1982*.

Australian National Audit Office access clauses

Table 26 shows contracts valued at $100,000 or more (including GST) which were entered into during 2024–25 and did not have provision for the Auditor-General to access the contractor's premises.

Table 26: Australian National Audit Office Access contract details 2024–25

Name of contractor	Purpose	Total contract value $ (inc. GST)	Reason for not including access clauses
Investa Asset Management Pty Ltd	Lease and Rental of Property or Building – Melbourne State Office	$3,924,258	Standard industry practice to enter into supplier terms and conditions
GPT Property Management – MLB Office	Lease and Rental of Property or Building – Melbourne State Office	$3,139,053	Standard industry practice to enter into supplier terms and conditions
MGJ Properties	Lease and rental of property or building – Moore Street Canberra	$2,300,000	Standard industry practice to enter into supplier terms and conditions
Quark Software Inc	Software	$140,000	Standard industry practice to enter into supplier terms and conditions

Initiatives to support small and medium-sized enterprises and Indigenous business

Treasury supports small business participation in the Commonwealth Government procurement market. This includes the mandatory use of the Commonwealth Contracting Suite for procurements up to $200,000 (including GST) and the use of credit cards as a payment mechanism for low value procurements under $10,000 (including GST). Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance website at finance.gov.au.

Treasury is eInvoice enabled for receipt of supplier invoices and pays eInvoices in accordance with the Australian Government Supplier Pay On-Time or Pay Interest Policy. Treasury recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Businesses are available on the Treasury website at treasury.gov.au. The survey was last conducted in 2021–22. Further information on the current policy is available on the Department of Finance website at finance.gov.au.

Treasury supports the Indigenous Procurement Policy to significantly increase the rate of purchasing from Indigenous enterprises. The portfolio has met its purchasing target set by Government to ensure Indigenous employment and business opportunities continue to grow (for more information, please refer to the National Indigenous Australians Agency website at niaa.gov.au).

Consultants and non-consultants

Treasury engages consultants where specialist skills are required but are not available in-house. Consultancies are individuals, partnerships or corporations that provide professional, independent, expert advice and services.

Consultants are selected and engaged in accordance with the *Public Governance, Performance and Accountability Act 2013,* Commonwealth Procurement Rules and Treasury's internal policies.

During 2024–25, Treasury entered into 46 new consultancy contracts involving total actual expenditure of $3,471,988 (including GST). In addition, 35 ongoing consultancy contracts were active during the period, involving total actual expenditure of $5,611,974 (including GST).

Information on the value of individual contracts and consultancies is available on the AusTender website at tenders.gov.au.

The information in Table 27 to Table 30 include contract and expenditure information, for the full 2024–25 financial year, for functions transferred into Treasury as part of recent machinery of government changes from: Attorney General's Department; Department of Industry, Science and Resources; the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts; and the Department of Social Services.

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Table 27: Expenditure on reportable consultancy contracts current report period (2024–25)

Reportable consultancy contracts 2024–25	Number	Expenditure $ (inc. GST)
New contracts entered into during the reporting period	46	$3,471,988
Ongoing contracts entered into during a previous reporting period	35	$5,611,974
Total	**81**	**$9,083,962**

Table 28: Expenditure on reportable non-consultancy contracts current report period (2024–25)

Reportable non-consultancy contracts 2024–25	Number	Expenditure $ (inc. GST)
New contracts entered into during the reporting period	203	$58,096,959
Ongoing contracts entered into during a previous reporting period	372	$72,937,051
Total	**575**	**$131,034,010**

Table 29: Organisations receiving a share of reportable consultancy contract expenditure current report period (2024–25)

Name of Organisation	ABN	Expenditure $ (inc. GST)	Proportion of 2024–25 total spend (%)
Finity Consulting Pty Ltd	89111470270	$1,712,822	19
ICA Partners	55158181241	$1,592,667	18
KPMG	51194660183	$749,106	8
Excelium Consulting Pty Ltd	80651479971	$461,780	5
Sententia Consulting	85639580662	$396,916	4

Note: In accordance with Department of Finance guidance, this table includes only those organisations who received the 5 largest shares of expenditure.

Table 30: Organisations receiving a share of reportable non-consultancy contract expenditure current report period (2024–25)

Name of Organisation	ABN	Expenditure $ (inc. GST)	Proportion of 2024–25 total spend (%)
Universal McCann	19002966001	$33,266,361	25
Ventia Property Pty Ltd	16618028676	$9,092,965	7
A23 Pty Ltd	81612329781	$5,473,940	4
CoDesign plus Sheldon Pty Ltd	54640866360	$4,543,822	3
Droga5 Australia Pty Ltd	34121441576	$3,565,464	3

Note: In accordance with Department of Finance guidance, this table includes only those organisations who received the 5 largest shares of expenditure.

Asset management

Management of Treasury's assets is governed by the Accountable Authority Instructions on asset management and aligns with government best practice. Treasury's asset management framework includes an asset register, an asset management plan and a capital management plan. The asset register records details of all assets held by Treasury. An annual stocktake of assets keeps the register accurate and up to date. Treasury's fixed assets include office fit-out, right-of-use assets, purchased and internally developed software, computer equipment, infrastructure and library materials.

Executive remuneration

Introduction

The categories of officials covered by the disclosures include:

- key management personnel
- senior executive remuneration
- other highly paid staff.

Remuneration policies and practices

The Secretary's remuneration is determined by the Remuneration Tribunal. For SES employees, remuneration and employment conditions are determined under subsection 24(1) of the *Public Service Act 1999*. Further information on SES remuneration is available in the workplace relations section.

Key management personnel

During the reporting period ended 30 June 2025, Treasury had 13 executives who met the definition of key management personnel. Their names are provided and term lengths summarised in Table 31.

Table 31: Key management personnel

Name	Position	Term as key management personnel
Jenny Wilkinson PSM	Secretary	Part year
Dr Steven Kennedy PSM	Secretary	Part year
Victoria Anderson	Deputy Secretary	Full year
Diane Brown	Deputy Secretary	Full year
James Kelly	Deputy Secretary	Part year
Damien White	Deputy Secretary	Part year
Dr Angelia Grant	Deputy Secretary	Part year
Brenton Philp	Deputy Secretary	Part year
Roxanne Kelley PSM	Deputy Secretary	Part year
Luke Yeaman	Deputy Secretary	Part year
Sam Reinhardt	Deputy Secretary	Part year
Shane Johnson	Acting Deputy Secretary	Part year
Katrina Di Marco	Acting Deputy Secretary	Part year

Table 32: Key management personnel remuneration

Name	Position title	Short-term benefits			Post-employment benefits	Other long-term benefits			
Name	Position title	Base salary[1]	Bonuses	Other benefits and allowances[2]	Superannuation contributions[3]	Long service leave[4]	Other long-term benefits	Termination benefits	Total remuneration[5]
Jenny Wilkinson PSM	Secretary	46,627	0	79	2,074	3,852	0	0	52,632
Dr Steven Kennedy PSM	Secretary	809,790	0	1,138	117,524	45,658	0	0	974,110
Victoria Anderson	Deputy Secretary	391,390	0	1,433	74,047	13,600	0	0	480,470
Diane Brown	Deputy Secretary	395,291	0	0	61,930	14,783	0	0	472,004
James Kelly	Deputy Secretary	164,812	0	1,534	21,378	16,457	0	0	204,181
Damien White	Deputy Secretary	238,331	0	1,577	37,472	18,376	0	0	295,756
Dr Angelia Grant	Deputy Secretary	95,515	0	439	16,100	1,698	0	0	113,752
Brenton Philp	Deputy Secretary	289,927	0	1,231	51,313	18,762	0	0	361,233
Roxanne Kelley PSM	Deputy Secretary	200,860	0	648	57,345	12,295	0	0	271,148
Luke Yeaman	Deputy Secretary	229,139	0	1,015	51,058	7,348	0	0	288,560

Name	Position title	Short-term benefits			Post-employment benefits	Other long-term benefits			
		Base salary[1]	Bonuses	Other benefits and allowances[2]	Superannuation contributions[3]	Long service leave[4]	Other long-term benefits	Termination benefits	Total remuneration[5]
Sam Reinhardt	Deputy Secretary	153,424	0	0	26,058	3,404	0	0	182,886
Shane Johnson	Acting Deputy Secretary	176,577	0	950	24,727	17,481	0	0	219,735
Katrina Di Marco	Acting Deputy Secretary	219,229	0	1,202	36,093	14,643	0	0	271,167

1) Base salary includes salary paid and accrued, salary paid while on personal leave, annual leave accrued and higher duties allowances.

2) Other benefits and allowances refers to non-monetary benefits such as provision of a car park.

3) For individuals in a defined contribution scheme (for example, Public Sector Superannuation accumulation plan (PSSap) and super choice), superannuation includes superannuation contribution amounts. For individuals in a defined benefits scheme (for example, Commonwealth Super Scheme (CSS) and Public Sector Superannuation (PSS)), superannuation includes the relevant Notional Employer Contribution Rate and Employer Productivity Superannuation Contribution.

4) Long service leave comprises the amount of leave accrued and taken in the period.

5) The table includes the part year impact of key management personnel who either commenced or separated during the year.

During the reporting period ended 30 June 2025, Treasury had 153 senior executives. Table 33 provides the average remuneration by band for senior executives during the reporting period.

Table 33: Senior executive remuneration

		Short-term benefits			Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration
Total remuneration bands	Number of senior executives[1]	Average base salary[2]	Average bonuses	Average other benefits and allowances[3]	Average superannuation contributions	Average long service leave[4]	Average other long-term benefits	Average termination benefits	Average total remuneration[5]
$0 - $220,000	58	82,412	0	5,511	13,587	4,630	0	4,315	110,455
$220,001 - $245,000	6	183,943	0	10,886	30,748	11,148	0	0	236,725
$245,001 - $270,000	7	204,613	0	7,097	31,411	13,029	0	0	256,150
$270,001 - $295,000	8	205,270	0	9,277	31,284	9,901	0	31,715	287,447
$295,001 - $320,000	22	223,405	0	17,722	37,119	16,021	0	12,251	306,518
$320,001 - $345,000	20	258,237	0	14,596	42,868	18,186	0	0	333,887
$345,001 - $370,000	10	270,650	0	12,387	49,209	23,941	0	0	356,187
$370,001 - $395,000	5	294,211	0	13,325	48,775	23,810	0	0	380,121
$395,001 - $420,000	5	319,135	0	19,645	54,225	17,929	0	0	410,934

		Short-term benefits			Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration
Total remuneration bands	**Number of senior executives[1]**	**Average base salary[2]**	**Average bonuses**	**Average other benefits and allowances[3]**	**Average superannuation contributions**	**Average long service leave[4]**	**Average other long-term benefits**	**Average termination benefits**	**Average total remuneration[5]**
$420,001 - $445,000	3	330,805	0	14,667	54,305	25,819	0	0	425,596
$445,001 - $470,000	1	363,575	0	14,987	57,751	31,734	0	0	468,047
$495,001 - $520,000	1	265,905	0	177,083	40,186	17,675	0	0	500,849
$520,001 - $545,000	2	251,446	0	224,604	40,277	14,981	0	0	531,308
$595,001 - $620,000	2	366,171	0	166,678	61,573	7,178	0	0	601,600
$620,001 - $645,000	1	291,260	0	289,188	39,064	25,397	0	0	644,909
$720,001 - $745,000	1	262,420	0	412,413	48,522	19,166	0	0	742,521
$745,001 - $770,000	1	275,579	0	424,898	40,533	13,870	0	0	754,880

1) Includes acting arrangements greater than 3 months.
2) Base salary includes salary paid and accrued, salary paid while on personal leave, annual leave accrued and higher duties allowances.
3) Includes, but is not limited to, allowances and benefits received while on overseas post.
4) Long service leave comprises the amount of leave accrued and taken in the period.
5) The table includes the part year impact of senior executives who either commenced or separated during the year.

Table 34 provides the average remuneration by band for other highly paid staff during the reporting period.

Table 34: Other highly paid staff remuneration

		Short-term benefits			Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration
Total remuneration bands	Number of other hghly paid staff	Average base salary[1]	Average bonuses	Average other benefits and allowances[2]	Average superannuation contributions	Average long service leave[3]	Average other long-term benefits	Average termination benefits	Average total remuneration
$295,001 - $320,000	1	235,314	0	32,367	39,727	0	0	0	307,408
$345,001 - $370,000	2	165,088	0	155,698	26,393	10,568	0	0	357,747
$370,001 - $395,000	1	172,942	0	175,742	27,193	10,591	0	0	386,468
$420,001 - $445,000	1	388,346	0	1,364	30,029	10,731	0	0	430,470
$495,001 - $520,000	1	166,808	0	302,060	25,310	8,313	0	0	502,491
$545,001 - $570,000	1	202,506	0	329,016	27,954	6,422	0	0	565,898

1) Base salary includes salary paid and accrued, salary paid while on personal leave, annual leave accrued and higher duties allowances.
2) Includes, but is not limited to, allowances and benefits received while on overseas post.
3) Long service leave comprises the amount of leave accrued and taken in the period.

Part 4
Financial statements

INDEPENDENT AUDITOR'S REPORT

To the Treasurer

Opinion

In my opinion, the financial statements of the Department of the Treasury (the Entity) for the year ended 30 June 2025:

(a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and

(b) present fairly the financial position of the Entity as at 30 June 2025 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2025 and for the year then ended:

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

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

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Key audit matter	How the audit addressed the matter
Accuracy and Occurrence of Grants Expense *Refer to Note 6.1C Special Appropriations* The Entity administers a number of grants including grant payments to State and Territory Governments under the *Federal Financial Relations Act 2009* (the Act). For the year ended 30 June 2025, the value of grants paid by the Entity under the Act was $128.7 billion (2024: $122.5 billion). Accuracy and occurrence of grants expense is a key audit matter due to: • The significant value of the grants paid and the complex eligibility criteria set out in agreements for a number of the grant programs; and • The Entity's reliance on other Australian Government entities and State and Territory Governments to provide information to support payments and confirm that eligibility criteria have been met.	The audit procedures I applied to address this key audit matter included: • Tested, on a sample basis, the design, implementation and operating effectiveness of controls within other Australian Government entities to support the information provided to the Entity that substantiates the eligibility and grant payment amounts; and • Tested, on a sample basis, the accuracy and occurrence of payments processed by the Entity by testing the design, implementation and operating effectiveness of controls such as delegate sign off for all payments, and agreed payments to supporting documentation.

Key audit matter	How the audit addressed the matter
Completeness and Valuation of the Disaster Recovery Funding Arrangements (DRFA) Provision *Refer to Note 5.4 Provisions* The Entity manages payments to State and Territory Governments to assist with relief and recovery costs following a natural disaster. This is administered in accordance with the Disaster Recovery Funding Arrangements 2018. These payments apply to declared disaster events where a multi-agency response is required, and state expenditure exceeds a specified threshold. The completeness and valuation of the provision is a key audit matter due to the significant actuarial assumptions and judgements involved in estimating the provision. The significant judgements relate to the future value and timing of payments under disaster arrangements. Also, due to the nature of disasters, there is uncertainty at the time of the disaster of the estimated costs to restore State and Territory infrastructure to its original condition. For the year ended 30 June 2025, the provision for costs associated with natural disaster arrangements was valued at $16.6 billion (2024: $10.5 billion).	The audit procedures I applied to address this key audit matter included: • Reviewed the effectiveness of processes to confirm eligibility of costs estimated under the DRFA arrangements; • Assessed the accuracy and completeness of estimates provided by State and Territory governments and other key inputs into the actuarial model; • Evaluated the appropriateness of the methodology used to determine provision including the reasonableness of significant assumptions used by the actuary; and • Evaluated the appropriateness of disclosures for the significant assumptions applied and of the uncertainties that impact the key assumptions.

Accountable Authority's responsibility for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

From the matters communicated with the Accountable Authority, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Australian National Audit Office

Ann MacNeill
Acting Executive Director
Canberra
18 September 2025

Statement by the Secretary and Chief Finance Officer

In our opinion, the attached financial statements for the year ended 30 June 2025 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

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

Jenny Wilkinson PSM
Secretary to the Treasury

17 September 2025

Felicity McGinnes
Chief Finance Officer

17 September 2025

Statement of Comprehensive Income

for the period ended 30 June 2025

	Notes	**2025 $'000**	2024 $'000	Original Budget $'000
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	291,904	258,472	255,700
Suppliers	1.1B	99,626	90,850	135,544
Grants	1.1C	500	782	555
Finance costs	1.1D	1,943	1,923	1,724
Depreciation and amortisation	2.2	20,827	20,847	20,575
Write-down and impairment of assets		652	160	-
Total expenses		**415,452**	373,034	414,098
Own-source income				
Own-source revenue				
Revenue from contracts with customers	1.2A	10,106	9,994	10,251
Other revenue	1.2B	5,700	5,153	4,954
Total own-source revenue		**15,806**	15,147	15,205
Gains				
Other gains	1.2C	16	56	-
Total gains		**16**	56	-
Total own-source income		**15,822**	15,203	15,205
Net cost of services		**(399,630)**	(357,831)	(398,893)
Revenue from Government	1.2D	398,518	347,204	390,788
Surplus/(Deficit)		**(1,112)**	(10,627)	(8,105)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation reserve		8	4,251	-
Total Comprehensive income / (loss)		**(1,104)**	(6,376)	(8,105)

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

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Statement of Financial Position

as at 30 June 2025

	Notes	2025 $'000	2024 $'000	Original Budget $'000
ASSETS				
Financial assets				
Cash and cash equivalents	2.1A	749	1,839	100
Trade and other receivables	2.1B	139,904	121,068	117,432
Total financial assets		**140,653**	122,907	117,532
Non-financial assets				
Buildings	2.2	127,636	132,912	111,157
Plant and equipment	2.2	8,200	10,466	7,928
Intangibles	2.2	1,206	2,766	1,634
Prepayments		7,054	7,462	6,623
Total non-financial assets		**144,096**	153,606	127,342
Total assets		**284,749**	276,513	244,874
LIABILITIES				
Payables				
Employee benefits		10,471	6,886	5,937
Suppliers		10,239	12,097	10,951
Unearned income		6,049	3,512	5,706
Total payables		**26,759**	22,495	22,594
Interest bearing liabilities				
Leases	2.3	121,990	123,821	107,871
Total interest bearing liabilities		**121,990**	123,821	107,871
Provisions				
Employee provisions	3.1	85,521	82,184	73,146
Other provisions	2.4	6,540	6,204	5,974
Total provisions		**92,061**	88,388	79,120
Total liabilities		**240,810**	234,704	209,585
Net assets		**43,939**	41,809	35,289
EQUITY				
Asset revaluation reserve		18,335	18,327	14,076
Contributed equity		130,852	127,618	131,155
Retained earnings		(105,248)	(104,136)	(109,942)
Total equity		**43,939**	41,809	35,289

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

Statement of Changes in Equity

for the period ended 30 June 2025

	2025 $'000	2024 $'000	Original Budget $'000
CONTRIBUTED EQUITY			
Opening balance	**127,618**	124,118	127,618
Distribution to owners			
Lapsing Appropriation - Equity Injection	(303)	-	-
Contributions by owners			
Departmental capital budget appropriation	3,537	3,500	3,537
Total transactions with owners	**3,234**	3,500	3,537
Closing balance as at 30 June	**130,852**	127,618	131,155
RETAINED EARNINGS			
Opening balance	**(104,136)**	(93,509)	(101,837)
Comprehensive income			
Surplus/(Deficit) for the period	(1,112)	(10,627)	(8,105)
Total comprehensive income	**(1,112)**	(10,627)	(8,105)
Closing balance as at 30 June	**(105,248)**	(104,136)	(109,942)
ASSET REVALUATION RESERVE			
Opening balance	**18,327**	14,076	14,076
Comprehensive income			
Asset revaluation	-	4,315	-
Changes in provision for restoration	8	(64)	-
Total comprehensive income	**8**	4,251	-
Closing balance as at 30 June	**18,335**	18,327	14,076

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

Accounting Policy
Equity injections
Amounts appropriated which are designated as 'equity injections' (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in the year appropriated.

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Cash Flow Statement

for the period ended 30 June 2025

	2025 $'000	2024 $'000	Original Budget $'000
OPERATING ACTIVITIES			
Cash received			
Appropriations	410,646	384,937	398,319
Sale of goods and rendering of services	9,749	12,880	10,251
GST received	9,427	9,400	-
Other	15,124	1,068	821
Total cash received	**444,946**	408,285	409,391
Cash used			
Employees	294,316	254,094	262,193
Suppliers	95,563	91,486	132,449
Interest payments on lease liabilities	1,679	1,686	1,724
Grants	500	782	555
Section 74 receipts transferred to/(from) OPA	33,812	38,178	-
GST paid	9,230	9,243	-
Total cash used	**435,100**	395,469	396,921
Net cash from/(used by) operating activities	**9,846**	12,816	12,470
INVESTING ACTIVITIES			
Cash received			
Proceeds from sales of plant and equipment	16	20	-
Total cash received	**16**	20	-
Cash used			
Purchase of buildings	3,005	2,093	1,515
Purchase of plant and equipment	269	2,314	1,516
Purchase of intangibles	-	374	506
Total cash used	**3,274**	4,781	3,537
Net cash from/(used by) investing activities	**(3,258)**	(4,761)	(3,537)
FINANCING ACTIVITIES			
Cash received			
Contributed equity - departmental capital budget	3,164	5,485	3,537
Total cash received	**3,164**	5,485	3,537
Cash used			
Principal payments of lease liabilities	10,842	12,006	12,470
Total cash used	**10,842**	12,006	12,470
Net cash from/(used by) financing activities	**(7,678)**	(6,521)	(8,933)
Net increase/(decrease) in cash held	(1,090)	1,534	-
Cash at the beginning of the reporting period	**1,839**	305	100
Cash at the end of the reporting period	**749**	1,839	100

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

Budget Variance Reporting

for the period ended 30 June 2025

The table below provides explanations for major variances between the agency's original budget estimates, as published in the 2024-25 Portfolio Budget Statements (PBS), and the actual financial performance and position for the year ended 30 June 2025. The budget is not audited.

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

- the variance between budget and actual is greater than +/- 10% of the original budget for a line item and greater than +/- $1 million; and
- an item is below this threshold but is considered important for the reader's understanding or is relevant to an assessment of the discharge of accountability and to an analysis of the agency's performance.

Variances relating to cash flows are a result of the factors explained for net cost of services, assets or liabilities variations. Unless otherwise individually significant, no additional commentary has been included.

The nature and timing of the Commonwealth's budget process can also contribute to variances.

Budget Variance explanation	Affected statements and line items
The net cost of service was $0.737 million higher than Budget because of: - an increase in pay rates of 3.8% as per Treasury's Enterprise Agreement was not fully budgeted for; and - an increase of the department's permanent workforce partially offset by a reduction in supplier costs across the department due to decreased spending on consultants and contractors.	Statement of Comprehensive Income Statement - Employee benefits - Suppliers Statement of Financial Position - Employee provisions - Employee benefits payable - Supplier payable Cash Flow Statement - Employees - Suppliers
Additional Departmental Appropriations were received as part of the Portfolio Additional Estimates (Appropriation Act No.3) partially offset by a Section 51 withholding processing in June 2025.	Statement of Comprehensive Income Statement - Revenue from Government Statement of Financial Position - Trade and other receivables Cash Flow Statement - Appropriations
An increase in buildings and lease liabilities because of additional lease contracts entered into and lease extensions for Treasury's overseas leases. Principal payments of lease liabilities have decreased compared to budget however due to the extensions resulting in a higher portion of interest and a reduction in lettable area for one lease.	Statement of Financial Position - Buildings - Leases Cash Flow Statement - Purchase of buildings - Principal payments of lease liabilities
A full asset revaluation was completed in 2023-24, which resulted in an increase in asset values. The valuation was not complete at the time the 2024-25 budget was produced resulting in the budget being lower than actuals.	Statement of Changes in Equity - Asset revaluation reserve

Administered Schedule of Comprehensive Income

for the period ended 30 June 2025

	Notes	2025 $'000	2024 $'000	Original Budget $'000
NET COST OF SERVICES				
Expenses				
Grants	4.1A	**207,992,798**	193,891,359	201,094,484
Finance costs	4.1B	**1,070,554**	1,042,470	940,410
Payments to corporate Commonwealth entities	4.1C	**336,829**	733,292	446,066
Suppliers and increase in provisions and financial guarantees	4.1D	**44,194**	27,044	87,568
Concessional loan discount	4.1E	**254,104**	248,543	-
Foreign exchange losses		**-**	25,236	4,064
Total expenses		**209,698,479**	195,967,944	202,572,592
Income				
Revenue				
Revenue from contracts with customers	4.2A	**616,400**	626,347	708,968
Interest	4.2B	**788,733**	881,318	782,975
Special Account revenue from government agencies	4.2C	**724,133**	1,249,529	509,000
Taxation and other revenue	4.2D	**101,402**	98,809	96,018
Total revenue		**2,230,668**	2,856,003	2,096,961
Gains				
Foreign exchange		**7,894**	-	8,785
Gains	4.2E	**341,680**	180,132	-
Total gains		**349,574**	180,132	8,785
Total income		**2,580,242**	3,036,135	2,105,746
Net (cost of)/contribution by services		**(207,118,237)**	(192,931,809)	(200,466,846)
Surplus/(Deficit)		**(207,118,237)**	(192,931,809)	(200,466,846)
OTHER COMPREHENSIVE INCOME				
Items subject to subsequent reclassification to net cost of services				
Gains/(losses) on financial assets at fair value through other comprehensive income		**(548,212)**	1,419,421	-
Total comprehensive income		**(548,212)**	1,419,421	-
Total comprehensive income/(loss)		**(207,666,449)**	(191,512,388)	(200,466,846)

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

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Administered Schedule of Assets and Liabilities

as at 30 June 2025

	Notes	2025 $'000	2024 $'000	Original Budget $'000
ASSETS				
Financial assets				
Cash and cash equivalents[2]	5.1A	**1,410,502**	207,863	22,059
Loans and other receivables	5.1B	**3,701,102**	3,946,660	5,346,406
Investments	5.1C	**32,668,162**	32,012,362	31,245,205
Total financial assets		**37,779,766**	36,166,885	36,613,670
Total assets administered on behalf of Government		**37,779,766**	36,166,885	36,613,670
LIABILITIES				
Payables				
Grants	5.2A	**1,968,716**	1,486,046	48,001
IMF and other payables	5.2B	**20,308,281**	18,751,626	19,050,803
Financial guarantees[1]	5.2C	**524,257**	567,650	552,211
Total payables		**22,801,254**	20,805,322	19,651,015
Financial liabilities				
Promissory notes	5.3A	**9,360,635**	9,442,699	9,355,776
Total financial liabilities		**9,360,635**	9,442,699	9,355,776
Provisions				
Provisions[1]	5.4A	**16,551,335**	10,494,534	5,539,377
Total provisions		**16,551,335**	10,494,534	5,539,377
Total liabilities administered on behalf of Government		**48,713,224**	40,742,555	34,546,168
Net assets/(liabilities)		**(10,933,458)**	(4,575,670)	2,067,502

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

[1] The accounting treatment for the Housing Australia Home Guarantee Scheme was reviewed in 2024-25 and reclassified to a financial guarantee (2023-24: reported as a provision in Note 5.4).

[2] The comparative Cash and cash equivalents balance has been restated due to a prior period error, refer Overview note.

Administered Reconciliation Schedule

for the period ended 30 June 2025

	2025 $'000	2024 $'000
Opening assets less liabilities as at 1 July	**(4,575,670)**	(1,365,413)
Adjustments for errors[1]	-	(558,827)
Net (cost of)/contribution by services		
Income	**2,580,242**	3,036,135
Expenses		
Payments to entities other than corporate Commonwealth entities	**(209,361,650)**	(195,234,652)
Payments to corporate Commonwealth entities	**(336,829)**	(733,292)
Other comprehensive income		
Revaluations transferred to reserves	**(548,212)**	1,419,421
Transfers (to)/from Australian Government		
Appropriation transfers from Official Public Account (OPA)		
Administered assets and liabilities appropriations	**635,379**	300,000
Annual appropriation for administered expenses		
Payments to entities other than corporate Commonwealth entities	**107,051**	67,023
Payments to corporate Commonwealth entities	**60,192**	733,292
Special appropriations (limited)		
Payments to entities other than corporate Commonwealth entities	**69,381**	21,234
Special appropriations (unlimited)		
Payments to entities other than corporate Commonwealth entities	**130,211,918**	123,961,101
Special accounts - Federation Reform Fund	**22,598,966**	15,592,313
Special accounts - Medicare Guarantee Fund	**46,000,000**	47,521,044
Special accounts - Housing Australia	-	-
Special accounts - Fuel Indexation	**2,688,000**	1,773,000
Appropriation transfers to OPA	-	
Transfers to OPA - appropriations	**(1,062,226)**	(1,108,049)
Transfers to OPA - special accounts	-	-
Closing assets less liabilities as at 30 June	**(10,933,458)**	(4,575,670)

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

[1] The comparative opening balance has been restated due to a prior period error, refer Overview note.

Accounting Policy

Administered cash transfers to and from the Official Public Account

Revenue collected by Treasury for use by the Government rather than Treasury is administered revenue. Collections are transferred to the Official Public Account (OPA) maintained by Department of Finance. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriations on behalf of the Government. These transfers to and from the OPA are adjustments to administered cash held by Treasury on behalf of the Government and reported as such in the schedule of administered cash flows and in the administered reconciliation schedule.

4

Administered Cash Flow Statement

for the period ended 30 June 2025

	Notes	2025 $'000	2024 $'000	Original Budget $'000
OPERATING ACTIVITIES				
Cash received				
Interest		**652,828**	737,927	594,965
GST received		**35,205**	3,004	1,872,627
Special Account revenue from government agencies		**724,934**	1,248,729	509,000
Other receipts from government agencies	6.1D	**33,086,630**	30,989,949	30,501,744
Other		**101,761**	98,709	96,018
Total cash received		**34,601,358**	33,078,318	33,574,354
Cash used				
Grants		**200,244,576**	188,716,750	236,968,619
Other grants to the States and Territories	6.1D	**33,086,630**	30,989,949	-
Suppliers		**39,508**	21,896	-
Payments to corporate Commonwealth entities		**336,742**	733,292	446,066
IMF charges		**677,683**	777,939	591,782
Other		**51,459**	16,640	121,261
Total cash used		**234,436,598**	221,256,466	238,127,728
Net cash from/(used by) operating activities		**(199,835,240)**	(188,178,148)	(204,553,374)
INVESTING ACTIVITIES				
Cash received				
IMF maintenance of value		**767**	-	-
Repayment of IMF loans		**-**	25,803	-
Repayment of loans from Housing Australia		**188,104**	68,891	387,012
Repayment of other loans		**898**	866	-
Repayment of International Loans		**255,035**	225,785	255,035
Repayment of loans to States and Territories		**15,953**	15,952	15,953
Total cash received		**460,757**	337,297	658,000
Cash used				
Settlement of IMF Promissory notes		**-**	40	-
Settlement of international financial institutions' obligations		**14,443**	65,931	-
Purchase of administered investments		**3,999**	304,630	-
Settlement of loans to Housing Australia		**143,097**	230,793	2,841,296
Settlement of international assistance loans		**570,000**	600,000	600
Total cash used		**731,539**	1,201,394	2,841,896
Net cash from/(used by) investing activities		**(270,782)**	(864,097)	(2,183,896)
Net increase/(decrease) in cash held		**(200,106,022)**	(189,042,245)	(206,737,270)

	Notes	2025 $'000	2024 $'000	Original Budget $'000
Cash and cash equivalents at the beginning of the reporting period[1]		**207,863**	389,150	919,591
Cash from Official Public Account				
Appropriations		**131,083,921**	125,082,650	130,029,788
Special accounts		**71,286,966**	64,886,357	76,574,033
Total cash from Official Public Account		**202,370,887**	189,969,007	206,603,821
Cash to Official Public Account				
Appropriations		**1,062,226**	1,108,049	764,083
Total cash to Official Public Account		**1,062,226**	1,108,049	764,083
Net cash from/(to) Official Public Account		**201,308,661**	188,860,958	205,839,738
Cash and cash equivalents at the end of the reporting period[1]	**5.1A**	**1,410,502**	207,863	22,059

[1] The comparative Cash and cash equivalents balance has been restated due to a prior period error, refer Overview note.

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

4

Administered Budget Variance Reporting

for the period ended 30 June 2025

The table below provides explanations for major variances between the agencies original budget estimates, as published in the 2024-25 Portfolio Budget Statements (PBS), and the actual financial performance and position for the year ended 30 June 2025. The budget is not audited.

Variances are considered 'major' if they are core to the agency's administered activities and based on the follow criteria:

- the variance between budget and actual is greater than +/- 10% and $1 billion of the original budget for a line item; and
- an item is below this threshold but is considered important for the readers understanding or is relevant to an assessment of the discharge of accountability and to an analysis of the agency's performance.

Variances relating to cash flows are a result of the factors explained in the sections related to net cost of services, assets or liabilities variations. Unless otherwise significant, no additional commentary has been included.

The nature and timing of the Commonwealth's budget process can also contribute to variances.

Budget Variance explanation	Affected statements and line items
Grants expenses are higher than the budget because of: - an increase in grant expense for recognised disaster events under the Disaster Recovery Funding Arrangements (DRFA); plus - revaluation of the DRFA provision not budgeted; and - partially offset by Medicare Guarantee Fund grant expense being less than the budget.	Statement of Comprehensive Income - Grants Administered Schedule of Assets and Liabilities - Provisions
Cash and cash equivalents are higher than the budget because of: - an increase in Federation Reform Fund (FRF) Special account held in OPA relating to Fuel indexation Road funding not paid in full; and - an increase in Housing Australia's Special Account balance reflecting less loans processed by Treasury to Housing Australia.	Administered Schedule of Assets and Liabilities - Cash and cash equivalents
Loans and receivables are lower than budget reflecting less loans processed by Treasury to Housing Australia.	Administered Schedule of Assets and Liabilities - Loans and other receivable
Investments are higher than the budget because of: - an increase to Housing Australia's net asset position; - partially offset by a decrease in Australian Reinsurance Pool Corporation net asset position; and - movements within foreign exchange rates to support the valuation of investments in international financial institutions and the International Monetary Fund.	Administered Schedule of Assets and Liabilities - Investments
Grants payables are higher than the budget because of: - an increase in Goods and Service Tax (GST) payments to the states; and - the Energy Bill Relief program (extension) and the National Partnership Payments programs that met the payment milestone requirements at 30 June 2025 but were not yet paid.	Administered Schedule of Assets and Liabilities - Grants Payables
IMF and other payables are higher than the budget because of: - movements within foreign exchange rates used to support the valuation of liabilities in international financial institutions and the International Monetary Fund (IMF); and - the IMF Maintenance of Value, which requires member countries to maintain the gold value of IMF holdings, not being budgeted for.	Administered Schedule of Assets and Liabilities - IMF and other payables

Notes to and forming part of the financial statements

Overview

The Department of the Treasury (Treasury) is an Australian Government controlled not-for-profit entity that is the Government's lead economic adviser. Treasury provides advice to Government and implements policies and programs to achieve strong, sustainable and inclusive economic and fiscal outcomes for Australians. Treasury's work includes promoting a sound economic environment, effective Government spending arrangements and regulations, well-functioning markets to serve consumers and investors, sustainable taxation and revenue arrangements, and housing outcomes that support productivity and wellbeing. Treasury achieves this through providing policy advice, analysis and the delivery of economic policies and programs, including legislation, administrative payments, and regulatory functions, which support the effective management of the Australian economy.

Treasury's activities are classified as either departmental or administered. Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by Treasury in its own right. Administered activities (shown with grey shading throughout the financial statements) involve the management or oversight by Treasury, on behalf of the Government, of items controlled or incurred by the Government.

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

The Basis of Preparation

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

The financial statements have been prepared in accordance with:

a) *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR)*; and
b) Australian Accounting Standards and interpretations

Treasury has complied in full and met all requirements of the simplified disclosures issued by the Australian Accounting Standards Board (AASB) with the exception of disclosures for administered activities applying Tier 1 reporting requirements prepared under the following accounting standards, as required under subsection 18(4) of the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015:*

a) AASB 7 *Financial Instruments: Disclosure*;
b) AASB 12 *Disclosure of Interests in Other Entities*; and
c) AASB 13 *Fair Value Measurement*.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets at fair value. Unless specifically stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars rounded to the nearest thousand. Unless otherwise stated, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

Taxation

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

Foreign Currency

Where transactions are denominated in a foreign currency they are converted at the exchange rate on the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current as at balance date.

Compliance with Statutory Conditions for Payments from the Consolidated Revenue Fund

Section 83 of the *Commonwealth of Australia Constitution Act 1900* (the Constitution) provides that no amount may be paid out of the Consolidated Revenue Fund except under an appropriation made by law. Treasury has controls in place to reduce any instances of non-compliance with section 83 wherever possible and ensure there is no intentional misuse of funds. Recovery action is taken to rectify any instances of non-compliance as soon as it is identified.

During 2024-25, Treasury continued to monitor and adapt its verification procedures for payments made under the *Federation Financial Relations Act 2009* and the *Federation Reform Fund Act 2008*.

The Treasury identified that eight payments made to States and Territories in 2024-25 totalling $2.28 billion relating to the Energy Bill Relief extension scheme were in potential breach of section 83 of the Constitution. The payments were made without appropriate written ministerial authorisation in place for the senior official to approve the payments on the Minister's behalf. The States had met the requirements for the payments therefore the potential breaches are technical in nature. Written authorisation from the Minister for the relevant senior officials to approve these payments was put in place and internal processes updated to align with the revised authorisation.

In 2024-25, Treasury identified two incorrect payments totalling $25,953 in October 2024 under the Small and Medium Enterprise Guarantee Scheme processed by the Business Grant Hub. The errors were corrected in November 2024. There is no evidence of systemic issues and additional quality assurance steps were introduced by the Business Grant Hub to prevent recurrence of these errors.

Correction of Prior Period Error

Special Accounts Note 6.2 – Housing Australia Special Account

Loans to Housing Australia relate to the Affordable Housing Bond Aggregator (AHBA), which was established by Housing Australia to provide loans to registered Community Housing Providers (CHPs). Interest is charged on each loan at a rate that covers the Commonwealth's cost of borrowing over the life of the loan.

In accordance with the *Housing Australia Investment Mandate Direction 2018* (Investment Mandate), principal repayments to the Commonwealth by Housing Australia can be credited to the Housing Australia Special Account (HASA) and the amount reissued to Housing Australia.

During 2024-25, it was identified that early repayments of loans by Housing Australia were not provided for under the previous Investment Mandate, and as such were not eligible to be credited back to the HASA. Subsequently, Section 11(4) of the Investment Mandate was amended to allow for the credit of early repayments to the HASA going forward (effective 13 March 2025).

Early repayments totalling $558.83 million were made by Housing Australia and incorrectly recredited to the HASA between financial years 2019-20 to 2021-22. In accordance with *AASB 108 Accounting Polices, Changes in Accounting Estimates and Errors*, this error has been corrected against the comparative year opening balance of the Administered Reconciliation Schedule and the comparative Administered Schedule of Assets and Liabilities, Cash and Cash Equivalents balance and the HASA (Note 6.2).

Following amendments to the Investment Mandate (effective 13 March 2025), allowing credits of early repayments, the $558.83 million was re-appropriated to the HASA during 2024-25.

Events After the Reporting Period

The transfer of appropriations related to the Administrative Arrangements Order (AAO) issued on 13 May 2025 will be effective in 2025-26.

The following functions will transfer to the Treasury portfolio:

- Bankruptcy, personal property securities and consumer credit reporting from the Attorney General's Portfolio. This includes responsibility for the Australian Financial Security Authority.
- Housing, rental and homelessness policy from the Social Services Portfolio.
- Land and planning policy and cities and urban policy from the Infrastructure, Transport, Regional Development, Communications, Sport and the Arts (ITRDCSA) Portfolio.
- Construction industry policy and regulation from the Industry, Science and Resources Portfolio.

In addition, the AAOs issued on the 13 May 2025 transferred some responsibilities for the *Future Made in Australia Act 2024* from the Treasury Portfolio to the Industry, Science and Resources Portfolio.

Details of restructuring adjustments associated with these functions will be reported in the Treasury's 2025-26 financial statements as the appropriation transfers took effect after 1 July 2025.

1. Departmental Financial Performance

This section analyses the financial performance of the Treasury for the year.

1.1. Expenses

	2025	2024
	$'000	$'000
Note 1.1A: Employee benefits		
Wages and salaries	216,822	191,919
Leave and other entitlements	29,020	24,718
Superannuation		
Defined contribution plans	28,908	24,398
Defined benefit plans	11,348	11,430
Redundancies	1,486	1,766
Other	4,320	4,241
Total employee benefits	**291,904**	258,472

Accounting Policy

Accounting policies for employee related expenses are contained in Note 3: People and Relationships.

Note 1.1B: Suppliers		
Goods and services supplied or rendered		
Consultants, contractors and secondees	49,708	44,368
IT and communications	17,783	17,774
Property operating expenses	7,324	5,317
Travel	6,600	6,333
Conferences and training	4,830	4,853
Legal expenses	3,660	3,281
Other	3,338	3,193
Publications and subscriptions	2,920	2,746
Audit, accounting and bank fees	1,637	1,819
Total goods and services supplied or rendered	**97,800**	89,684
Rendering of services	92,248	85,453
Goods supplied	5,552	4,231
Total goods and services supplied or rendered	**97,800**	89,684
Other suppliers		
Workers compensation premiums	1,826	1,166
Total other suppliers	**1,826**	1,166
Total suppliers	**99,626**	90,850

	2025	2024
	$'000	$'000
Note 1.1C: Grants		
Non-profit organisations	500	782
Total grants	**500**	782

Accounting Policy

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

Note 1.1D: Finance costs		
Interest on lease liabilities	1,679	1,686
Unwinding of discount	264	237
Total finance costs	**1,943**	1,923

1.2. Own-Source Revenue and Gains

Own-Source Revenue	**2025 $'000**	2024 $'000
Note 1.2A: Revenue from contracts with customers		
Rendering of services	10,106	9,994
Total revenue from contracts with customers	**10,106**	9,994
Disaggregation of revenue from contracts with customers		
Major product / service line:		
Actuarial services	4,059	4,169
Shared services	3,036	1,970
Cost recoveries	2,568	2,790
Income from subleasing[1]	394	1,015
Other	49	50
	10,106	9,994
Type of customer:		
Australian Government entities (related parties)	10,057	9,944
Non-government entities	49	50
	10,106	9,994

1. The Treasury sub-leases accommodation to the Australian Office of Financial Management and the Australian Taxation Office.

Maturity analysis of sub-lease commitments receivable:		
Within 1 year	237	402
1-2 years	83	237
2-3 years	86	83
3-4 years	89	86
4-5 years	35	89
More than 5 years	-	35
Total undiscounted lease payments receivable	**530**	932

Accounting Policy

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount reflecting the consideration to which the Treasury expects to be entitled in exchange for those goods or services. The Treasury has concluded it is the principal in all of its revenue arrangements because it controls the goods or services before transferring them to the customer.

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

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

Actuarial Services

The Australian Government Actuary Division provide actuarial services for other Commonwealth entities. The Treasury recognises revenue upon the completion of the services (that is, at a point in time) as defined by the underlying contract as this is when the customer obtains the ability to direct the use of and obtain substantially all of the benefits from the services (typically a report or other deliverable). Invoicing occurs in line with the underlying agreement and can be in advance or in arrears.

Accounting Policy (continued)

Shared Services

The Treasury provide finance, payroll, security and IT function services to a number of portfolio entities. The Treasury recognises revenue on the basis of expenses incurred to complete the service (that is, over time) because the customer simultaneously receives and consumes the benefits provided to them. The Treasury uses the input method in measuring progress of the services because there is a direct relationship between the Treasury's effort (that is, expenditure incurred) and the transfer of the service to the customer. Invoicing occurs in line with the underlying agreement and can be in advance or in arrears.

Cost Recoveries

The Treasury receives cost recovery contributions from Commonwealth and State government entities as well as other entities to support the Treasury's facilitation of various grant programs, forums and/or councils. These arrangements are underpinned by enforceable agreements that are sufficiently specific to allow the Treasury to determine when the obligations are satisfied in return for consideration. The Treasury recognises revenue on the basis of expenses incurred to complete the service (that is, over time) because the customer simultaneously receives and consumes the benefits provided to them. The Treasury uses the input method in measuring progress of the services because there is a direct relationship between the Treasury's effort (that is, expenditure incurred) and the transfer of the service to the customer. Invoicing occurs in line with the underlying agreement and can be in advance or in arrears.

Income from Subleasing Right-of-Use Assets

The Treasury subleases a portion of office space to the Australian Office of Financial Management and in prior years the Australian Taxation Office (expired in 2023-24). The Treasury does not transfer substantially all the risks and rewards incidental to ownership of its lease through this sublease and therefore classifies this sublease as an operating lease. Rental income is accounted for on a straight-line basis over the lease term and is included in revenue from contracts with customers due to its operational nature.

	2025 $'000	2024 $'000
Note 1.2B: Other revenue		
Resources received free of charge		
Seconded staff	4,837	4,323
Remuneration of auditors - ANAO	510	510
Other	353	320
Total other revenue	**5,700**	5,153
Note 1.2C: Other gains		
Gains from sale of assets	16	20
Net foreign exchange gains	-	36
Total other gains	**16**	56
Note 1.2D: Revenue from Government		
Appropriations		
Departmental appropriations	398,518	347,204
Total revenue from Government	**398,518**	347,204

Accounting Policy

Resources received free of charge

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

Sale of assets

Gains from disposal of assets are recognised when control of the asset has passed to the buyer.

Revenue from Government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the Treasury gains control of the appropriation, except for certain amounts related to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned.

Appropriations receivables are recognised at their nominal amounts.

2. Departmental Financial Position

This section analyses the Treasury assets used to generate financial performance and the operating liabilities incurred as a result. Employee related information is disclosed in the People and Relationships section.

2.1. Financial Assets

	2025 $'000	2024 $'000
Note 2.1A: Cash and cash equivalents		
Cash on hand or on deposit	749	1,839
Total cash and cash equivalents	**749**	1,839
Note 2.1B: Trade and other receivables		
Goods and services receivables		
Contracts with customers	3,078	2,849
Goods and services	296	1,303
Total goods and services receivables	**3,374**	4,152
Appropriation receivables		
Appropriation receivables	135,172	113,418
Total appropriation receivables	**135,172**	113,418
Other receivables		
Net GST receivable from the ATO	762	1,721
Other receivables	596	1,777
Total other receivables	**1,358**	3,498
Total trade and other receivables (gross)	**139,904**	121,068
Total trade and other receivables (net)	**139,904**	121,068

Credit terms for goods and services were within 30 days (2024: 30 days).

Accounting Policy

Financial assets

Trade receivables, loans and other receivables that are held for the purpose of collecting the contractual cash flows, where the cash flows are solely payments for principal and interest that are not provided at below-market interest rates, are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance.

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2.2. Non-Financial Assets

Note 2.2: Reconciliation of the opening and closing balances of property, plant and equipment and computer software (2024-25)

	Buildings $'000	Plant and equipment $'000	Intangibles[1] $'000	Total $'000
As at 1 July 2024				
Gross book value	187,730	11,037	20,619	219,386
Accumulated depreciation / amortisation and impairment	(54,818)	(571)	(17,853)	(73,242)
Total value as at 1 July 2024	**132,912**	**10,466**	**2,766**	**146,144**
Additions	12,946	287	-	13,233
Purchase or internally developed	3,005	269	-	3,274
Right-of-use assets	9,941	18	-	9,959
Depreciation and amortisation	(3,965)	(2,518)	(1,560)	(8,043)
Depreciation on right-of-use assets	(12,765)	(19)	-	(12,784)
Disposal of right-of-use assets	(874)	-	-	(874)
Disposals	(618)	(16)	-	(634)
Total as at 30 June 2025	**127,636**	**8,200**	**1,206**	**137,042**
Total as at 30 June 2025 represented by:				
Gross book value	198,015	11,258	19,636	228,909
Fair value	23,700	11,180	-	34,880
At cost	174,315	78	19,636	194,029
Accumulated depreciation / amortisation and impairment	(70,379)	(3,058)	(18,430)	(91,867)
Total as at 30 June 2025	**127,636**	**8,200**	**1,206**	**137,042**
Carrying amount of right-of-use assets	**107,994**	**28**	**-**	**108,022**

1. The carrying amount of intangibles includes purchased software ($0.52m) and internally generated software ($0.69m).

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Contractual commitments for the acquisition of property, plant and equipment and intangible assets.

	2025	2024
	$'000	$'000
Commitments are payable as follows[1]:		
Within 1 year	112	1,228
Between 1 to 5 years	-	508
Total commitments	**112**	1,736

1. Commitments are GST inclusive where relevant.

Accounting Policy

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

Asset recognition threshold

Purchases of plant and equipment and computer software are recognised initially at cost in the statement of financial position, except for purchases costing less than $10,000 (building – leasehold improvements and internally developed software $50,000) which are expensed in the year of acquisition.

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to restoration provisions in property leases taken up by the Treasury where there exists an obligation to restore the property to its original condition. These costs are included in the value of the Treasury's leasehold improvements with a corresponding provision for the restoration recognised.

Leased Right-of-Use (ROU) Assets

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

Following initial application, an annual impairment review is undertaken for any ROU lease asset that shows indicators of impairment and an impairment loss is recognised against any ROU lease asset that is impaired. Leased ROU assets continue to be measured at cost after initial recognition.

Revaluations

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

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

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

Accounting Policy (continued)

Depreciation and Amortisation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives using the straight-line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, and/or future reporting periods as appropriate. Software is amortised on a straight-line basis.

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

	2025	**2024**
Buildings - leasehold improvements	5-25 years	5-25 years
Plant and equipment:		
Plant and equipment	3-10 years	3-10 years
Motor vehicles	4 years	4 years
Office equipment	5 years	5 years
Computer software	3-5 years	3-5 years

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

Impairment

All cash-generating assets and assets held at cost, including intangibles and ROU assets, were assessed for impairment at 30 June 2025. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount. For non-cash generating assets held at fair value, the recoverable amount is expected to be materially the same as fair value at 30 June 2025.

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

Derecognition

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

Intangibles

The Treasury's intangible assets comprise internally developed and purchased software for internal use. These assets are carried at cost less accumulated amortisation and any accumulated impairment losses.

All software assets were assessed for indications of impairment as at 30 June 2025, including the impact of factors such as project cessation and platform changes. No indication of impairment for intangible assets were identified as at 30 June 2025, therefore nil impairment losses for intangible assets were recognised (2024: nil).

Accounting judgement and estimates

The fair value of buildings – leasehold improvements and plant and equipment has been taken to be the market value of similar properties or depreciated replacement value as determined by an independent valuer.

Refer to section 7.5 Fair Value Measurement - Accounting Policy.

2.3. Interest Bearing Liabilities

	2025 $'000	2024 $'000
Note 2.3: Leases		
Lease liabilities		
Buildings	121,962	123,793
Plant and equipment	28	28
Total leases	**121,990**	123,821

Total cash outflow for leases for the year ended 30 June 2025 was $12.52 million (2024: $13.69 million).

	2025 $'000	2024 $'000
Maturity analysis - contractual undiscounted cash flows		
Within 1 year	12,925	13,175
Between 1 to 5 years	65,271	58,623
More than 5 years	52,718	61,580
Total leases	**130,914**	133,378

Accounting Policy

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

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

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

2.4. Other Provisions

Note 2.4: Reconciliation other provisions	**Total $’000**
Carrying amount 1 July 2024	**6,204**
Additional provisions made	72
Unwinding of discount or change in discount rate	264
Closing balance 30 June 2025	**6,540**

The Treasury currently has six (2024: five) agreements for the leasing of premises which have provisions requiring the entity to restore the premises to their original condition at the conclusion of the lease. The Treasury has made a provision to reflect the present value of this obligation.

3. People and Relationships

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

3.1. Employee Provisions

	2025 $'000	2024 $'000
Note 3.1: Employee provisions		
Leave	85,521	82,184
Total employee provisions	**85,521**	82,184

Accounting Policy

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

Leave

The liability for employee benefits includes provision for annual leave and long service leave.

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

In 2023-24, the Treasury engaged the Australian Government Actuary to undertake a triennial actuarial assessment of its leave provisions, taking into account the likely tenure of existing staff, patterns of leave claims, payouts and future salary movements. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and general pay increases. Treasury has accepted the assumptions determined by the Australian Government Actuary in the triennial report. The next assessment will be completed in 2026-27.

Superannuation

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

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

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

The Treasury makes employer contributions to the employee's defined benefit superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government of the superannuation entitlements of Treasury's employees. The Treasury accounts for the contributions as if they were contributions to defined contribution plans in accordance with AASB 119.

The liability for superannuation recognised as at 30 June 2025 represents outstanding contributions yet to be paid.

3.2. Key Management Personnel Remuneration

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities, directly or indirectly, of the Treasury. The Treasury has determined the key management personnel to be the Secretary and Deputy Secretaries. Key management personnel remuneration is reported in the table below:

	2025	2024
	$'000	$'000
Short-term employee benefits	3,422	3,249
Post-employment benefits	577	544
Other long-term employee benefits[1]	188	85
Total key management personnel remuneration expenses[2]	**4,187**	3,878

1. Other long-term employee benefits is affected by the movement in the 10-year bond rate to 4.17% in 2024-25 (2023-24: 4.31%).
2. The above key management personnel remuneration excludes the remuneration and other benefits of the Treasurer and other Portfolio Ministers. Their remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the Treasury.

The total number of key management personnel included in the above table for Treasury in 2025 is 13 people for 8 roles (2024: 7 people for 7 roles). This includes staff who were acting for more than 90 days.

3.3. Related Party Disclosures

Related party relationships:
The Treasury is an Australian Government controlled entity. Related parties to the Treasury are key management personnel including the Portfolio Minister and Executive and other Australian Government entities.

Transactions with related parties:

Giving consideration to relationships with related entities, and transactions entered into during the reporting period by Treasury, it has been determined one related party transaction is to be separately disclosed in 2025 (2024: one).

During the 2024-25, Treasury purchased shares totalling $4.63 million (2023-24 $4.63 m) in the Australian Business Growth Fund (ABGF). One of the key management personnel was a government-appointed director of ABGF during 2024-25 and 2023-24.

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4. Income and Expenses Administered on Behalf of Government

This section analyses the activities the Treasury does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

4.1. Administered – Expenses

	2025 $'000	2024 $'000
Note 4.1A: Grants		
Public sector		
State and Territory Governments	**161,627,984**	144,840,671
Department of Health and Aged Care - Medicare Guarantee Fund	**46,000,000**	47,521,044
Payment of FRF receipts from Government agencies[1]	**301,362**	1,246,830
Private sector		
Not-for-profit organisation	**62,020**	278,903
Grants to private sector	**432**	1,911
Overseas entities		
Grants to overseas entities	**1,000**	2,000
Total grants	**207,992,798**	193,891,359

[1] FRF refers to the Federation Reform Fund.

Accounting Policy

The Treasury administers a number of grants on behalf of the Government. With the exception of the accounting treatment of payments to State and Territories under the Disaster Recovery Funding Arrangements (DRFA) detailed below, grant liabilities are recognised to the extent that (i) the services required to be performed by the grantee have been performed or (ii) the grant eligibility criteria have been satisfied but payments due have not been made. When the Government enters into an agreement to make these grants and services, but services have not been performed or criteria satisfied, this is considered a commitment.

Grants to States and Territories

Under the Federal Financial Relations Framework, the Treasurer is responsible for payments to the States and Territories.

There are six main types of payments under the framework:

(I) General revenue assistance, including GST revenue payments – a financial contribution to a State or Territory which is available for use for any purpose.

(ii) National Specific Purpose Payments (National SPPs) – a financial contribution to support a State or Territory to deliver services in a particular sector.

(iii) National Health Reform (NHR) payments – a financial contribution to a State or Territory to improve health outcomes for all Australians and ensure the sustainability of Australia's health system. Payments are made on the condition that the financial assistance is spent in accordance with the NHR Agreement.

(iv) National Housing and Homelessness Agreement (NHHA) payments – a financial contribution to a State or Territory to improve access to affordable, safe and sustainable housing, including to prevent and address homelessness and support social and economic participation.

(v) Temporary Energy Bill Relief (TEBR) payments – a reimbursement to a State or Territory for payments made for the provision of energy bill relief to eligible households and small businesses.

(vi) National Partnership (NP) payments – a financial contribution in respect of a funding agreement with a State or Territory to support the delivery of specific projects, to facilitate reforms or to reward jurisdictions that deliver on national reforms or achieve service delivery improvements. Portfolio Ministers are accountable for government policies associated with NP payments.

Accounting Policy - Grants to States and Territories (continued)

National SPPs, NHHA, NHR and GST are paid monthly in advance under the *Federation Financial Relations Act 2009*. TEBR is paid in accordance with the funding agreement with the State or Territory, with most energy bill relief provided monthly during 2024-25. After the end of the financial year, the Treasurer determines the amounts that should have been paid and any adjustments are made in respect of advances that were paid during the financial year.

NP and other general revenue assistance payments are paid under *the Federation Financial Relations Act 2009* which allows the Treasurer (or the delegated Minister within the Treasury Portfolio) to determine an amount to be paid to a State or Territory for the purpose of making a grant of financial assistance. Once determined, this amount must be credited to the Federation Reform Fund (FRF) special account, previously known as the Councils of Australian Government (COAG) special account. The Treasurer must ensure that, as soon as practicable after the amount is credited, the Federation Reform Fund is debited for the purposes of making the grant. In addition, the Treasurer must have regard to the Intergovernmental Agreement on Federation Financial Relations.

Payments to the States and Territories through the Federation Reform Fund

The Treasury receives funds from the relevant Commonwealth agency and pays the amount to the States and Territories. These amounts are recorded as 'FRF revenue from Government Agencies', previously known as COAG revenue from Government Agencies, to recognise the income and a corresponding grant expense for the payment to the States and Territories when entitled to be paid.

Disaster Recovery Funding Arrangements (DRFA)

The Treasury accounts for payments made to States and Territories under the DRFA by recognising a liability. For categories of events not requiring Prime Minister approval, the liability is valued through an actuarial approach developed by the Australian Government Actuary (AGA). For categories of events requiring Prime Minister approval, the liability is equal to the discounted value of estimated future payments to States and Territories. Before Treasury and the AGA receive expenditure estimates from the States and Territories for disasters to the end of the financial year, the National Emergency Management Agency (NEMA) completes an assessment of disaster eligibility under the DRFA program, quality assures signed representations from the States and Territories and certifies expenditure estimates. AGA then apply their actuarial method to project expenditure for disasters with expenditure estimates to the end of the financial year and for recent events without reported estimates (for categories of events not requiring Prime Minister approval) and apply a discounted value estimate (for categories requiring Prime Minister approval) – refer to note 5.4 Administered provisions for additional information.

Medicare Guarantee Fund

The purpose of the *Medicare Guarantee Act 2017* (the Act) is to establish the Medicare Guarantee Fund (MGF) which secures the ongoing funding of the Medical Benefits Schedule (MBS) and Pharmaceutical Benefits Scheme (PBS).

The MGF consists of the Medicare Guarantee Fund (Treasury) Special Account (Treasury Special Account) and the Medicare Guarantee Fund (Health) Special Account (Health Special Account). The Treasury Special Account is administered by the Department of the Treasury and the Health Special Account is administered by the Department of Health, Disability and Ageing.

Under the Act, the Treasurer must credit the Treasury Special Account with an amount that is sufficient to cover the estimated costs of the MBS and PBS for the next financial year. The Treasury is reliant on advice from the Department of Health, Disability and Ageing in determining the estimated costs. The sole purpose of the Treasury Special Account is to ensure that amounts are available for transfer to the Health Special Account to fund the MBS and PBS.

The MGF funding payment is recorded in Treasury administered expenses to reflect the payment into the Health Special Account from the Treasury Special Account. Refer to Note 6.2 Special Accounts.

Compensation Scheme of Last Resort (CSLR)

The CSLR operator provides compensation of up to $150,000 to eligible customers who have received an Australian Financial Complaints Authority (AFCA) determination awarding compensation in relation to complaints in one of the four areas: personal financial advice, credit intermediation, securities dealing or credit provision. A determination may be unpaid because the financial institution subject to the determination has become insolvent.

The CSLR operator commenced its operations on 2 April 2024. The Australian Government formally authorised CSLR Limited to operate the scheme under section 1060 of the *Corporations Act 2001*.

CSLR is responsible for determining the total costs to the scheme for the leviable period. The Australian Securities and Investments Commission (ASIC) is responsible for issuing levy notices and collecting levy payments. The Treasury will pay the CSLR operator the amount equal to the amount received by ASIC.

All payments to the CSLR operator are recorded as grants to not-for-profit organisation. Any levy notice issued by ASIC but not paid to a CLSR operator at 30 June is accrued as grants payable by the Treasury.

	2025 $'000	2024 $'000
Note 4.1B: Finance costs		
Charges on SDR allocations	**649,403**	783,894
Unwinding of discount - Housing Australia Home Guarantee Scheme provision	**-**	1,556
Unwinding of discount - DRFA provision	**421,151**	257,020
Total finance costs	**1,070,554**	1,042,470

Accounting Policy

Charges on SDR allocations

The Special Drawing Rights (SDR) is an international reserve asset created by the International Monetary Fund (IMF), and allocated to member countries participating in its SDR Department. SDR allocations represent the SDRs allocated to Australia by the IMF. These allocations provide each member with on-demand access to freely usable currencies. When the IMF allocates SDRs, participants in the SDR Department receive unconditional liquidity represented by an interest-bearing reserve asset (SDR holding) and a corresponding long-term liability to the SDR Department (SDR allocation).

The IMF pays interest on SDR holdings and levies charges on SDR allocations of each member at the same rate (the SDR interest rate).

Unwinding of discount – DRFA provision

Refer to Note 5.4 Provisions for further details on DRFA provision.

	2025 $'000	2024 $'000
Note 4.1C: Payments to corporate Commonwealth entities		
Housing Australia		
Operating funding	**59,566**	33,292
Grants payment	**277,263**	700,000
Total payments to corporate Commonwealth entities	**336,829**	733,292

From 12 October 2023, the National Housing Finance and Investment Corporation became Housing Australia.

	2025 $'000	2024 $'000
Note 4.1D: Suppliers		
Suppliers		
Advertising campaigns	**39,091**	19,924
General supplier expenses	**395**	279
Total suppliers	**39,486**	20,203
Increase in provisions and financial guarantees		
Housing Australia Home Guarantee Scheme - increase in financial guarantees	**4,708**	6,841
Total increase in provisions	**4,708**	6,841
Total suppliers and increase in provisions	**44,194**	27,044

	2025	2024
	$'000	$'000
Note 4.1E: Concessional loan discount		
Concessional loan discount - PNG loans	**203,336**	248,543
Concessional loan discount - HAFFF/NHAF loan	**50,768**	-
Total concessional loan discount	**254,104**	248,543

Accounting Policy

Increase in provisions and financial guarantees

Refer to Note 5.4 Provisions and Note 5.2C Financial Guarantees for further details.

Concessional loan discount expense

A concessional loan discount expense is recorded when Treasury makes a loan at a discount to the prevailing market equivalent rates or terms. The concessional loan discount expense is an upfront non-cash concession charge and will unwind over the term of the underlying loan to become concessional loan interest income. As the concessional loan discount expense is a non-cash adjustment, it does not impact the underlying operational earning of the Treasury. Over the life of the loans, the cumulative impact of the reported profit or loss from the concessional loan discount and income will net to nil.

Accounting judgement and estimates

Treasury is required to record a concessional loan discount expense when it makes a loan at a discount to the prevailing market equivalent rate or terms. This requires judgement in determining the 'market equivalent rate' to ascertain the extent of the implicit discount attached to the loan. To estimate the market rate, Treasury considers key terms of the loan such as loan tenure and repayment profile, as well as comparable bond issuance with similar credit rating. Treasury also considers the seniority and potential resource to collateral or assets, in combination with an assessment of the return on equity that an arms-length market participant may desire.

4.2. Administered – Income

Revenue	2025 $'000	2024 $'000
Non-Taxation Revenue		
Note 4.2A: Revenue from contracts with customers		
GST administration fees - external entities	**616,400**	626,347
Total revenue from contracts with customers	**616,400**	626,347

Note 4.2B: Interest		
Interest from IMF transactions	**551,957**	682,886
Interest on international assistance loans	**96,409**	76,489
Unwinding of concessional loan discount - PNG loans	**91,896**	76,217
Unwinding of concessional loan discount - Indonesia loan	**37,929**	40,079
Interest on loans to Housing Australia	**9,556**	4,215
Interest on loans to States and Territories	**452**	1,175
Unwinding of concessional loan discount - HAFFF/NHAF loans	**316**	-
Interest on loan to Australian Energy Market Operator (AEMO)	**178**	211
Unwinding of concessional loan discount - AEMO loan	**40**	46
Total interest	**788,733**	881,318

Note 4.2C: Special Account revenue from government agencies		
Housing Australia Future Fund revenue	**500,000**	-
Disaster Ready Fund revenue	**200,000**	200,000
Future Drought Fund revenue	**14,633**	34,938
Confiscated Assets Account revenue	**9,500**	7,100
DisabilityCare Australia Fund revenue	**-**	1,007,491
Total FRF revenue from government agencies	**724,133**	1,249,529

Note 4.2D: Taxation and other revenue		
Mirror taxes[1]	**968,397**	902,633
Less: transfers to States in relation to mirror taxes revenue	**(968,397)**	(902,633)
Australian Reinsurance Pool Corporation fee[2]	**90,000**	90,000
Other	**11,402**	8,809
Total taxation and other revenue	**101,402**	98,809

1. The Australian Government's mirror taxes arrangements mirror certain state taxes, including payroll taxes, land taxes and stamp duties, with respect to Commonwealth places. The States and Territories (the States) collect these mirror taxes on behalf of the Australian Government and bear the administrative cost of collection. All mirror taxes are credited to the Australian Government and simultaneously appropriated to the States.
2. Australian Reinsurance Pool Corporation dividend and service fee are agreed in advance as part of the budget process and finalised once the appropriate determination is provided under section 38(2) of the *Terrorism and Cyclone Insurance Act 2003*.

Note 4.2E: Gains		
Gains from revaluation of Small & Medium Enterprises Guarantee Schemes	**16,009**	168,178
Gains from revaluation of Housing Australia Home Guarantee Scheme	**231**	11,954
Reversal of prior year accrual[1]	**325,440**	-
Total Gains	**341,680**	180,132

1. The 2023-24 estimate of grants payable to States and Territories relating to the Energy Bill Relief program was higher than the actual demand for relief concessions. The grant payable over accrual has been reversed in 2024-25.

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Accounting Policy

Administered revenue

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

Interest revenue

Interest revenue is recognised using the effective interest method.

Interest from International Monetary Fund (IMF) transactions

Australia receives interest from a number of arrangements transacting with IMF, including interest on Australia's IMF remunerated reserve tranche position, interest on IMF SDR holdings, IMF PRGT Investment, IMF PRGT loan, IMF RST deposit account and IMF RST loan account.

IMF remuneration

Remuneration is interest paid by the IMF to Australia for the use of its funds. Remuneration is paid on a portion of Australia's IMF quota commitment. This money is lent by Australia under the IMF's Financial Transaction Plan, under which members in a strong external position provide quota resources to support IMF lending to borrowing member countries.

Where the IMF's holdings of Australian dollars fall below a specified level, it pays remuneration on Australia's average remunerated reserve tranche position. The rate of remuneration is based on the Special Drawing Right (SDR) interest rate. The SDR interest rate is the market interest rate computed by the IMF, which is based on a weighted average of representative interest rates on short-term government debt instruments (generally 3-month bond rates) of the five entities whose currencies make up the SDR basket: the United States, United Kingdom, European Union, Japan and China. This rate is then adjusted to account for the financial consequences of overdue obligations to the IMF which are shared between members and reflected at Note 4.2B as 'burden sharing'. No adjustment for 'burden sharing' has been made in either the current or prior years.

Remuneration is calculated and paid at the end of the IMF's financial quarters. An annual Maintenance of Value adjustment is made to the IMF's holdings of Australia's quota paid in Australian dollars to maintain its value in SDR terms.

IMF SDR Holdings

Australia receives interest on the Special Drawing Rights (SDR) holdings. SDRs are allocated to members in proportion to their IMF quotas. These allocations provide each member with on-demand access to freely usable currencies. The members can exchange SDRs for freely usable currencies from other members. SDR is, therefore, a potential claim on freely usable currencies of IMF members. The Treasury has previously sold SDR holdings to the Reserve Bank of Australia in exchange for AUD, and also maintains SDR holdings for exchange with the IMF, countries or other prescribed holders. When the IMF allocates SDRs, participants in the SDR Department receive unconditional liquidity represented by an interest-bearing reserve asset (SDR holding) and a corresponding long-term liability to the SDR Department (SDR allocation).

IMF Poverty Reduction and Growth Trust (PRGT)

The IMF PRGT provides concessional financing to low-income countries to help them achieve, maintain, or restore a stable and sustainable macroeconomic position.

Australia provided SDR of 1.00 billion (approximately $2.10 billion as at 30 June 2025) to the PRGT Loan Account. The IMF is required to repay amounts provided through the PRGT Loan Account 10 years from drawing. Amounts lent to the IMF under the PRGT accrue interest daily at the SDR interest rate (or such other rate as agreed by 85% of PRGT lenders).

Australia provided SDR of 317.58 million (approximately $665.92 million as at 30 June 2025) to the PRGT Long-Term Investment Account. The IMF will repay the lower of the original investment amount less any early repayments and the notional value of the investment. Australia can seek early repayment of all or part of the investment. Amounts invested to the PRGT investment accrue interest daily at the SDR interest rate.

The IMF pays interest on PRGT Loan and Investment amounts quarterly.

Accounting Policy (continued)

IMF Resilience and Sustainability Trust (RST)

The IMF RST is used to help countries build resilience to external shocks and ensure sustainable growth, contributing to their long-term balance of payments stability.

Australia provided SDR of 137.72 million (approximately $288.78 million as at 30 June 2025) to the RST Loan Account. The IMF must repay amounts provided through the RST Loan Account in line with the pass-through loan arrangement. Amounts can be repaid earlier if the pass-through loan is repaid early. Outstanding drawings by the IMF will earn interest at the SDR interest rate.

Australia provided SDR of 152.00 million (approximately $318.73 million as at 30 June 2025) to the RST Deposit Account. Australia receives interest on amounts provided to the IMF under the RST Deposit Account. Amounts provided to the IMF under the RST accrue interest daily at the SDR interest rate.

The IMF pays interest on RST Loan and Deposit amounts quarterly.

Australian Reinsurance Pool Corporation dividend and fee

The dividend and fee from the Australian Reinsurance Pool Corporation (ARPC) are recognised when the relevant Minister signs the legislative instrument and thus control of the income stream is established. These are measured at nominal amounts.

5. Assets and Liabilities Administered on Behalf of Government

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

5.1. Administered – Financial Assets

	2025 $'000	2024 $'000
Note 5.1A: Cash and cash equivalents		
Cash held in the OPA - Housing Australia Special Account[1]	**883,549**	203,163
Cash held in the OPA - FRF Special Account	**409,829**	4,700
Cash held in the OPA - HAFF Payments Special Account	**117,124**	-
Total cash and cash equivalents	**1,410,502**	207,863

[1] The comparative Cash and cash equivalents balance has been restated due to a prior period error, refer Overview note.

Accounting Policy

The Treasury's administered cash and cash equivalents relate to special account balances held in the Official Public Account (OPA). Refer to Note 6.2 Special Accounts for more information.

	2025 $'000	2024 $'000
Note 5.1B: Loans and other receivables		
Loans		
Concessional loans	**2,452,413**	2,185,716
IMF PRGT loan	**665,921**	517,165
IMF RST loan	**288,779**	28,136
Loans to Housing Australia	**116,451**	238,010
Loans to States and Territories	-	15,953
Total loans	**3,523,564**	2,984,980
Other receivables		
Accrued interest - IMF related transactions	**84,138**	108,255
Accrued interest - international loans	**90,457**	59,327
Accrued interest - loans to Housing Australia	**1,297**	2,586
Net GST receivable from the ATO	**864**	26,067
Other receivables	**782**	927
Accrued interest - AEMO Loan	-	1
IMF Maintenance of Value receivable	-	83,588
GST revenue allocation	-	680,929
Total other receivables	**177,538**	961,680
Total loans and other receivables (gross)	**3,701,102**	3,946,660
Receivables are expected to be recovered in		
No more than 12 months	**320,577**	1,271,305
More than 12 months	**3,380,525**	2,675,355
Total receivables (gross)	**3,701,102**	3,946,660
Receivables (gross) are aged as follows		
Not overdue	**3,701,102**	3,946,660
Total receivables (gross)	**3,701,102**	3,946,660

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Note 5.1B: Concessional loans carrying amounts

	Loans to PNG $'000	**Loan to Indonesia $'000**	**Loan to AEMO $'000**	**Loans to Housing Australia $'000**	**Total $'000**
As at 1 July 2024	**1,286,485**	**894,525**	**4,706**	**-**	**2,185,716**
Gross funded loans and advances	**570,000**	**-**	**-**	**76,552**	**646,552**
Less: concessional loan discount on drawn loans	**(203,336)**	**-**	**-**	**(50,768)**	**(254,104)**
Less: repayment of principal	**(155,034)**	**(100,000)**	**(898)**	**-**	**(255,932)**
Add: unwinding of concessional loan discount (income)	**91,896**	**37,929**	**40**	**316**	**130,181**
Total as at 30 June 2025	**1,590,011**	**832,454**	**3,848**	**26,100**	**2,452,413**

	Loans to PNG $'000	Loan to Indonesia $'000	Loan to AEMO $'000	Loans to Housing Australia $'000	Total $'000
As at 1 July 2023	984,596	954,446	5,526	-	1,944,568
Gross funded loans and advances	600,000	-	-	-	600,000
Less: concessional loan discount on drawn loans	(248,543)	-	-	-	(248,543)
Less: repayment of principal	(125,785)	(100,000)	(866)	-	(226,651)
Add: unwinding of concessional loan discount (income)	76,217	40,079	46	-	116,342
Total as at 30 June 2024	1,286,485	894,525	4,706	-	2,185,716

Accounting Policy

Loans Receivables

All loans and receivables are classified as amortised cost under AASB 9. Refer to Note 7.4 Administered financial instruments for further details on accounting treatment.

Non-Concessional loans

IMF Poverty Reduction and Growth Trust (PRGT) Loan

Australia lent to the IMF under the Poverty Reduction and Growth Trust (PRGT) loan. Terms of the loans are consistent with other agreements between the IMF and all contributing countries. Australia receives interest from the PRGT Loan. The interest is accrued daily at the SDR interest rate. The IMF pays interest on PRGT loan quarterly.

IMF Resilience and Sustainability Trust (RST) Loan

In October 2022, Australia agreed to provide a line of credit to the SDR of 760.00 million (approximately $1.56 billion as at 30 June 2025) available to the IMF under the Resilience and Sustainability Trust (RST). The IMF must repay amounts provided through the RST Loan Account in line with the pass-through loan arrangement. Amounts can be repaid earlier if the pass-through loan is repaid early. Outstanding drawings by the IMF will earn interest at the SDR interest rate. As at 30 June 2025, IMF has drawn SDR of 137.72 million (approximately $288.78 million as at 30 June 2025) against the total line of credit.

Loans to Housing Australia

Loans to Housing Australia relate to the Affordable Housing Bond Aggregator (AHBA), which was establish by Housing Australia to provide loans to registered Community Housing Providers (CHPs). In accordance with the *Housing Australia Investment Mandate Direction 2018*, each loan allocated to the AHBA must relate to a particular loan to a CHP unless approved by the Treasurer and Minister for Finance. Interest is to be charged on each loan at a rate that covers the Commonwealth's cost of borrowing over the life of the loan. The interest has been accrued as earned and disclosed in Notes 4.2B and 5.1B.

Concessional Loans

International Assistance Loans to Papua New Guinea

Between November 2020 to December 2024, the Commonwealth of Australia agreed to lend five loans totalling $3.13 billion to the Independent State of Papua New Guinea (PNG). The first two loans were to support PNG reform actions under the IMF Staff-Monitored Program (SMP), and the latter three were to support PNG to meet its budget financing shortfalls and to deliver reform actions under multilateral development programs.

All five loans have fixed interest rates to match the yield on 10-year Australian Government Security on the 10th business day prior to the drawdown date (in respect of the previous quoted day), and the first two loans have an additional 0.5% margin to cover administrative costs associated with the loans. The tenure of the loan is 15 years for one and 20 years for the other four. Instalments and interest are payable semi-annually in Australian dollars.

International Assistance Loan to Indonesia

On 22 November 2020, the Commonwealth of Australia agreed to lend $1.5 billion to the Republic of Indonesia. This agreement is part of a multilateral action to support Indonesia led by the Asian Development Bank and including the Asian Infrastructure Investment Bank, the Japan International Cooperation Agency and the German state-owned development bank. The funds were used to support Indonesia’s COVID-19 response, including social protection initiatives and health system development.

The interest rate on the loan is fixed to match the yield on 10-year Australian Government Securities as at the date of drawdown (in respect of the previous quoted day), with an additional 0.5% margin to cover administrative costs associated with the loan. Instalments on the loan principal and interest are repayable over fifteen years every six months in Australian dollars.

Loan to Australian Energy Market Operator

In 2022, the Treasury, on behalf of the Commonwealth of Australia, provided a loan of $6.15 million to the Australian Energy Market Operator (AEMO). The loan allowed AEMO to upgrade its systems and procedures, so it can make its relevant data available in a form that can be shared with consumers via the internet, in accordance with the Consumer Data Right (CDR) provisions in the *Competition and Consumer Act 2010* (CCA). The interest rate per annum is the daily yield on Australian government bonds with a 10-year maturity published on the business day prior to the drawdown date (in respect of the previous quoted day). Instalments on loan principal and interest are payable over seven years every 12 months.

Loans to Housing Australia

Concessional loans to Housing Australia comprise loans related to the Housing Australia Future Fund Facility (HAFFF) and National Housing Accord Facility (NHAF).

The HAFFF and NHAF were established by Housing Australia to provide concessional loans to registered not-for-profit Community Housing Providers (CHPs). In accordance with the *Housing Australia Investment Mandate Direction 2018*, each loan allocated to the HAFFF and NHAF relates to a particular loan to a CHP unless approved by the Treasurer and Minister for Finance. Under the arrangement, no interest applies to the HAFFF and NHAF loans.

Other receivables

GST revenue allocation and Federation Reform Fund (FRF)

Under the FRF arrangements, the Treasury separately discloses grants payable (grants not paid prior to year-end) and receivable (primarily GST revenue allocations and other FRF grants receivable) based on information provided by Commonwealth Agencies for each FRF grant.

GST is paid to the State and Territories based on estimated figures provided in the Budget and revisited in the Mid-Year Economic and Fiscal Outcome (MYEFO) round. The key driver of the calculation of the distribution of GST is population and actual collections. At the end of each financial year, the Australian Bureau of Statistics provides population data and the ATO provides the actual GST collection figures. The difference between the estimated and actual State and Territory payments is recorded as GST revenue allocation.

Current year GST receivable is nil and current year GST payable is $946.101 million (2023-24: GST receivable of $680.929 million and GST payable of nil). Refer to Note 5.2A Grants for further details.

	2025 $'000	2024 $'000
Note 5.1C: Investments		
International financial institutions		
Asian Infrastructure and Investment Bank	**1,127,023**	1,114,432
International Finance Corporation	**707,227**	699,327
Asian Development Bank	**644,097**	609,706
International Bank for Reconstruction and Development	**522,341**	516,505
European Bank for Reconstruction and Development	**184,282**	101,033
Multilateral Investment Guarantee Agency	**9,467**	9,361
Total international financial institutions	**3,194,437**	3,050,364
Australian Government entities		
Housing Australia	**2,196,412**	1,851,219
Australian Reinsurance Pool Corporation	**772,096**	1,663,288
Reserve Bank of Australia	**-**	-
Total Australian Government entities	**2,968,508**	3,514,507
Other investments		
IMF Quota	**13,781,506**	13,045,653
IMF SDR holdings	**10,248,314**	10,059,537
IMF PRGT investment	**2,096,876**	1,984,915
IMF RST deposit account	**318,725**	301,707
IMF RST reserve account	**31,873**	30,171
Australian Business Growth Fund	**27,923**	25,508
Total other investments	**26,505,217**	25,447,491
Total investments	**32,668,162**	32,012,362

Investments are expected to be recovered in more than 12 months.

Accounting Policy – Administered Investments

Investments are classified as fair value through other comprehensive income. Refer to Note 7.4 Administered Financial Instruments for further details on the Treasury's accounting policy. The note should be read in conjunction with notes 7.2 Administered Contingent Assets and Liabilities and 7.6: Administered – Fair Value Measurement.

International Financial Institutions

Australia holds shares in the World Bank Group (WBG), the Asian Development Bank (ADB), the European Bank for Reconstruction and Development (EBRD) and the Asian Infrastructure Investment Bank (AIIB).

Principal activities:

The World Bank was established in 1944 and comprises the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA). The World Bank, alongside the International Finance Corporation (IFC), the Multilateral Investment Guarantee Agency (MIGA) and the International Centre for Settlement of Investment Disputes (ICSID), form the WBG.

The IBRD provides financing and technical assistance to middle income countries and creditworthy poor countries. The IDA provides grants, concessional finance and technical assistance to low income countries. The IFC supports the development of the private sector by providing direct finance to private sector operations. MIGA provides guarantee services for projects, which reduce the risks for other co-financing partners including the private sector. ICSID provides international facilities for conciliation and arbitration of investment disputes.

The ADB was established in 1966 and has a mandate to reduce poverty and promote economic development in its developing member countries in Asia and the Pacific. The ADB does this by financing (through a mix of loans, grants, guarantees and co-financing activities with both other donors and the private sector) public sector and private sector activities. It also provides technical assistance to developing member countries so they can improve their policy and business investment environments. A significant portion of the ADB's activities is focused on the infrastructure, transportation and energy sectors.

Accounting Policy – Administered Investments (continued)

The EBRD was established in 1991 to assist former communist eastern European countries committed to the principles of multi-party democracy, pluralism and market economies, to develop their private sector and capital markets. The EBRD operates across a wide space - from Central and Eastern Europe to Central Asia and the Southern and Eastern Mediterranean region. It provides project financing for banks, industries and businesses, both new ventures and investments in existing companies. It also works with publicly owned companies, to support privatisation, restructuring state owned firms and improvement of municipal services.

The AIIB was established on 25 December 2015. The AIIB focuses on the development of infrastructure and other productive sectors in Asia. The AIIB also aims to promote interconnectivity and economic integration in the region by working in close collaboration with other multilateral and bilateral development institutions.

Australian Government entities

Administered investments in controlled corporate entities are not consolidated because their consolidation is relevant only at the whole of government level.

The Reserve Bank of Australia (RBA) is Australia's central bank. Its duty is to contribute to the maintenance of price stability, full employment and the economic prosperity and welfare of the Australian people. It does this by setting the cash rate to meet a medium-term inflation target, working to maintain a strong financial system and efficient payments system and issuing the nation's banknotes. The Bank provides selected banking services to the Australian Government and its agencies and to a number of overseas central banks and official institutions. Additionally, it manages Australia's gold and foreign exchange reserves.

The Australian Reinsurance Pool Corporation (ARPC) is a Commonwealth public financial corporation established by the *Terrorism and Cyclone Insurance Act 2003* to administer the terrorism and cyclone reinsurance schemes, providing primary insurers with reinsurance for commercial property and associated business interruption losses arising from a declared terrorist incident or cyclone.

Housing Australia, previously known as National Housing Finance and Investment Corporation, is the independent national housing authority that works with the private sector, community housing providers and all levels of Government to facilitate and deliver programs that help more Australians to access social and affordable housing or to buy a home.

Other investments

The Treasury holds other investments in the International Monetary Fund (IMF) and the Australian Business Growth Fund (ABGF).

Australian Business Growth Fund (AGBF)

The ABGF provides equity funding to eligible small and medium-sized enterprises (SMEs).

The Commonwealth, authorised by the *Australian Business Growth Fund (Coronavirus Economic Response Package) Act 2020*, is a shareholder in the ABGF alongside ANZ, the Commonwealth Bank, the National Australia Bank, Westpac, HSBC and Macquarie Bank. The ABGF operates commercially and is independent of both the Government and the participating banks.

International Monetary Fund (IMF)

The IMF is an organisation with 191 member countries, working to ensure the stability of the international monetary system – the system of exchange rates and international payments that enables countries (and their citizens) to transact with each other. The IMF does this through surveillance, including annual economic assessments of member countries; technical assistance to member countries; and by making resources available (with adequate safeguards) to members experiencing balance of payments difficulties. Quota subscriptions which are denominated in Special Drawing Rights (SDRs) represent a member's shareholding in the IMF and generate most of the IMF's financial resources.

IMF Quota

Quota subscriptions, which are denominated in SDRs represent a member's shareholding in the IMF and generate most of the IMF's financial resources. All member countries of the IMF pay a capital subscription to the IMF, equivalent to their allocated quota and denominated in SDRs. This represents a member's shareholding in the IMF and is disclosed in the financial statements as an administered investment asset.

Accounting Policy - Administered Investments (continued)

IMF SDR Holdings

Australia's SDR holdings were SDR of 9.70 billion as at 30 June 2025 (Treasury's share is SDR 4.89 billion + RBA's share is SDR 4.81 billion) (refer to Note 5.2B for the liability IMF SDR Allocation).

IMF PRGT Investment

Australia entered into an agreement with the IMF in October 2022, to invest SDR 1 billion into the IMF's Pooled Investments strategy. Australia will receive interest on this investment at the SDR interest rate. The profits above this interest rate will be provided to the PRGT Subsidy Account up to SDR 82 million. The IMF will then use these subsidy resources to subsidise loans to low-income countries under the PRGT.

At the end of the period, the IMF will repay the lower of the original investment amount less any early repayments and the notional value of the investment. Australia can seek early repayment of all or part of the investment.

Australia receives interest on amounts invested into the PRGT Investment. Amounts invested to the PRGT Investment accrue interest daily at the SDR interest rate. The IMF pays interest on PRGT Investment amounts quarterly.

IMF Resilience and Sustainability Trust (RST)

Australia provided SDR of 152.00 million (approximately $318.73 million as at 30 June 2025) to the RST Deposit Account. Australia receives interest on amounts provided to the IMF under the RST Deposit Account. Amounts provided to the IMF under the RST accrue interest daily at the SDR interest rate. The IMF pays interest on RST Deposit amounts quarterly.

Australia provided SDR of 15.2 million (approximately $31.87 million as at 30 June 2025) to the RST Reserve Account. Australia will not receive interest on the funds. Australia will receive repayment of its share of the RST Reserve Account (including any potential earnings or losses) at the liquidation of RST in 2050 or earlier if the RST Reserve Account has sufficient funds at the discretion of the Trustee.

5.2. Administered – Payables

	2025 $'000	2024 $'000
Note 5.2A: Grants		
FRF grants payable	**1,019,389**	699,658
Non-profit organisations	**300**	264,944
Other State and Territory Governments	**949,027**	521,444
Total grants	**1,968,716**	1,486,046
Grants are expected to be settled in no more than 12 months.		

Note 5.2B: IMF and other payables		
IMF SDR allocation	**19,673,980**	18,623,503
IMF related monies owing	**98,134**	126,413
IMF Maintenance of Value	**478,067**	-
Suppliers	**58,080**	329
Other payables	**20**	1,381
Total other payables	**20,308,281**	18,751,626
Other payables expected to be settled		
No more than 12 months	**634,301**	128,123
More than 12 months	**19,673,980**	18,623,503
Total IMF and other payables	**20,308,281**	18,751,626

International Monetary Fund (IMF) Special Drawing Right (SDR) Allocation

The SDR allocation liability reflects the current value in AUD of the Treasury's liability to repay to the IMF the cumulative allocations of SDRs provided to Australia since joining the IMF.

Note 5.2C: Financial guarantees

	SME Loan Guarantee Scheme $'000	Show Starter Loan Scheme $'000	SME Recovery Loan Scheme $'000	Standalone Guarantee $'000	Housing Australia Home Guarantee Scheme[1] $'000	Total $'000
As at 1 July 2024	**79,474**	**6,611**	**434,157**	**47,408**	**17,645**	**585,295**
Payment of claims to lenders	**(13,950)**	**-**	**(35,353)**	**-**	**(204)**	**(49,507)**
Revaluation	**(28,081)**	**1,698**	**16,055**	**(5,680)**	**4,477**	**(11,531)**
Total as at 30 June 2025	**37,443**	**8,309**	**414,859**	**41,728**	**21,918**	**524,257**
Total financial guarantees to be settled						
No more than 12 months	**9,333**	**1,271**	**49,462**	**1,795**	**4,389**	**66,250**
More than 12 months	**28,110**	**7,038**	**365,397**	**39,933**	**17,529**	**458,007**
Total financial guarantees	**37,443**	**8,309**	**414,859**	**41,728**	**21,918**	**524,257**

[1] The Housing Australia Home Guarantee Scheme was reviewed in 2024-25 and reclassified to a financial guarantee.

Accounting Policy

Financial guarantees are financial liabilities measured initially at fair value, then subsequently disclosed at fair value through profit and loss.

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Accounting Policy (continued)

Small and Medium Enterprise (SME) Guarantee Scheme and SME Recovery Loan Scheme

The Australian Government provided support for small and medium enterprises during the COVID 19 pandemic through guaranteeing loans issued by participating lenders. This support was provided under a number of schemes.

The Coronavirus Small and Medium Enterprises (SME) Guarantee Scheme provided a guarantee of 50% of the eligible loan amount for eligible SMEs. Phase 1 was available for new loans made by participating lenders over the period from 1 April 2020 to 30 September 2020. Phase 2 of the scheme was operational between 1 October 2020 and 30 June 2021.

The Show Starter Loan Scheme provided a guarantee of 100% of the eligible loan amount for the arts and entertainment businesses. This scheme ceased on 30 June 2021.

The SME Recovery Loan Scheme (SMERLS) guarantees up to 80% of the eligible loans to support businesses impacted by the Coronavirus pandemic and was further expanded to include businesses in flood affected areas and those eligible for Job Keeper supplements between 4 January 2021 and 28 March 2021. Loans for businesses who were in receipt of Job Keeper payments commenced on 1 April 2021 and ceased on 30 September 2021. Loans for flood affected business commenced on 1 April 2021 and ceased on 31 December 2021. Loans under SMERLS commenced on 1 January 2022 and ceased on 30 June 2022. Loans issued from 1 April 2021 to 31 December 2021 have 80% of the eligible loan guaranteed, and loans issued from 1 January 2022 to 30 June 2022 have 50% of the eligible loan guaranteed.

The Standalone Guarantee is a government guarantee under section 60 of the *Public Governance, Performance and Accountability Act 2013* in respect of a parcel of loans written to small and medium enterprises.

Under each of the above schemes, the Australian Government guaranteed to pay an approved lender in the event of default by small and medium enterprises. Although all schemes have closed to new loans, the risk to the Australian Government remains until the final claim date for the SME Recovery Loan Scheme on 30 September 2033.

Accounting judgements and estimates

The Australian Government Actuary (AGA) has provided a valuation of the SME loan guarantee scheme, Show Starter loan scheme, SME Recovery loan scheme and Standalone Guarantee as at 30 June 2025. The key assumptions used by the AGA are:

- a default rate of 7% for loans under the SME Guarantee Scheme phase 2 (2024: 8% for phase 1 and phase 2);
- a default rate of 12% for SME Recovery Loan Scheme (2024: 12%);
- a default rate of 15% for all other loans (2024: 15%);
- a rate of recovery of 20% (2024: 20%) applies to the proportion of loans where additional security has been provided;
- 10% allowance (2024: 10%) for fees and interest in addition to the assumed claim amount;
- a pattern of delay between maturity date and claim payment date;
- claim applications pending decision at 30 June 2025 will result in a payment; and
- expected losses are calculated by applying various factors to the outstanding loan balances. In 2024-25, AGA has incorporated the value of impaired loans into the expected losses calculation. Expected losses are then allocated to payment months according to the distribution of maturity dates demonstrated by the individual loan data and the assumed distribution of delays from loan maturity to claim payment.

Accounting Policy (continued)

Housing Australia Home Guarantee Scheme

The Housing Australia Home Guarantee Scheme (HGS) represents the Treasury's best estimate of claims expected from Housing Australia as at balance date. The Housing Australia HGS comprises the First Home Guarantee, New Home Guarantee, Family Home Guarantee and Regional First Home Buyer Guarantee schemes.

The First Home Guarantee was established to assist first home buyers who do not have a deposit of 20% of the property value. Under the scheme, the Government guarantees up to 15% of the value of new loans issued by eligible lenders to first home buyers, being the portion of the loan above a loan to value ratio of 80%. From July 2022, 35,000 places are available to eligible first home buyers each financial year.

The New Home Guarantee is an extension of the First Home Guarantee by the issue of two tranches of 10,000 guarantees in each of 2020-21 and 2021-22, specifically for the building or purchasing of new dwellings. The New Home Guarantee was closed to new applications from 1 July 2022.

The Family Home Guarantee aims to support eligible single parents or single legal guardians of at least one dependent child in purchasing a family home, regardless of whether the single parent or single legal guardian is a first home buyer or a previous homeowner. Under the scheme, the Government guarantees up to 18% of the value of new loans issued by eligible lenders to home buyers, being the portion of the loan above a loan to value ratio of 80%. From 1 July 2022 to 30 June 2025, 5,000 places are available in each financial year to eligible home buyers.

The Regional First Home Buyer Guarantee commenced in October 2022 and aims to help first home buyers to purchase a home in regional Australia. A total of 10,000 guarantees will be made available each year. This scheme is set to close on 30 June 2026.

From 1 July 2023, scheme eligibility was extended to allow permanent residents, joint applications, single legal guardians of children and non-first home buyers where they have not owned a property in Australia in the past 10 years to access the scheme. The legislated equal split of guarantees allocated to major and non-major lenders was also removed.

The First Home Guarantee, New Home Guarantee, Family Home Guarantee and Regional First Home Buyer Guarantee are administered by Housing Australia.

The accounting treatment for the HGS was reviewed in 2024-25 and reclassified to a financial guarantee instead of a provision as previously reported.

The Australian Government Actuary (AGA) has provided a valuation of the Housing Australia guarantees as at 30 June 2025. The valuation results incorporate AGA's best estimate of future property growth, mortgage rates and default rates. The assumed capital growth rate is based on the most contemporaneous market data available. The assumed default rates are based on historic data on delinquencies from lenders' mortgage providers. The assumed mortgage rates are based on expected future RBA cash rates plus a lender's margin.

5.3. Administered – Financial Liabilities

	2025 $'000	2024 $'000
Note 5.3A: Promissory notes		
IMF promissory notes	**9,292,838**	9,375,659
Other promissory notes	**67,797**	67,040
Total promissory notes	**9,360,635**	9,442,699
Promissory notes expected to be settled		
More than 5 years	**9,360,635**	9,442,699
Total promissory notes	**9,360,635**	9,442,699

Accounting Policy

Promissory notes

Promissory notes have been issued to the International Monetary Fund (IMF), the International Bank for Reconstruction and Development (IBRD), and the Multilateral Investment Guarantee Agency (MIGA).

Under the IMF Articles of Agreement, members are required to maintain the Special Drawing Rights (SDR) value of their quota through a 'maintenance of value' adjustment. The maintenance of value adjustment is adjusted by issuing/cancelling promissory notes and payments/receipts in Australian dollars and is recognised as an exchange rate gain or loss. The issuing/cancelling of promissory note is also be used to adjust the IMF's cash holdings of Australian dollars and to maintain the required IMF cash account balance. Promissory notes are also issued as part of a quota increase. These promissory notes are Australian dollar denominated and non-interest bearing.

Investments into the IBRD and MIGA are generally not funded with cash but with a promissory note, representing a call option by the IBRD and MIGA for the cash owed under the initial investment. These promissory notes relate to undrawn paid-in capital subscriptions and represent a portion of the members' shareholding.

5.4. Administered – Provision

	2025 $'000	2024 $'000
Note 5.4A: Provision		
Housing Australia Home Guarantee Scheme[1]	**-**	17,645
Disaster Recovery Funding Arrangements	**16,551,335**	10,476,889
Total provisions	**16,551,335**	10,494,534
Provisions expected to be settled		
No more than 12 months	**4,064,776**	1,849,303
More than 12 months	**12,486,559**	8,645,231
Total provisions	**16,551,335**	10,494,534

1. The Housing Australia Home Guarantee Scheme was reviewed in 2024-25 and reclassified to a financial guarantee.

	DRFA $'000	Total $'000
Liability estimate as at 30 June 2024	**10,476,889**	**10,476,889**
Discount rate unwind	**421,151**	**421,151**
Payments made	**(1,377,606)**	**(1,377,606)**
Discount rate change	**209,096**	**209,096**
Revaluation of prior year estimates	**1,293,771**	**1,293,771**
Additional provision made for events since 30 June 2024	**5,528,033**	**5,528,033**
Total as at 30 June 2025	**16,551,335**	**16,551,335**

Accounting Judgements and Estimates

Disaster Recovery Funding Arrangements (DRFA) Provision

The DRFA provision represents the Treasury's best estimate of payments expected to be made to States and Territories as at balance date. The DRFA provision reflects an estimate of future payments and will be subject to eligibility requirements. This does not represent agreed funding between the Commonwealth and the States or Territories. The *Disaster Recovery Funding Arrangements 2018* arrangement applies from 1 November 2018 and all eligible events captured in the provision are governed by the DRFA Determination.

States and Territories were requested to provide to the National Emergency Management Agency (NEMA) an estimate of costs expected to be incurred for disasters affecting States and Territories that occurred prior to 1 July 2025 which would be eligible for assistance. The signed representations from the States and Territories are quality assured by the NEMA, which in turn provides a certification of the expenditure estimates to the Treasury.

For categories of events requiring Prime Minister approval the Treasury accounts for payments made to States and Territories under DRFA by recognising a liability equal to the discounted value of estimated future payments to States and Territories regardless of whether or not a State or Territory has completed eligible disaster reconstruction work or submitted an eligible claim to the Commonwealth. This approach remains unchanged from 2023-24.

For categories of events not requiring Prime Minister approval the Treasury engaged the Australian Government Actuary (AGA) to estimate the value of the liability as at 30 June 2025. The valuation model incorporates estimates reported by the States and Territories to NEMA (as described above), as well as allowances for projected cost development on events with reported estimates and for recent events that do not have reported estimates. The model outcome is then discounted to present value. This approach reflects a change in estimation applied from 2024-25 and is further described below.

The DRFA provides a number of assistance measures that are described on the NEMA website. Disasters are reported on the Disaster Assist website.

Actuarial Approach and Assumptions

There is a high degree of uncertainty inherent in estimating the impact of natural disaster events and, therefore, the cost to the Commonwealth. The AGA's actuarial approach applies a combination of a cost development model and a geospatial model to project the expenditure in respect of disaster events occurring prior to the valuation date.

Uncertainty is highest for events closest to the valuation date, where there is very little information known about the potential costs and any reported State/Territory estimates are likely to be revised over time as information emerges. In assessing which model to use for each event, a decision criterion, outlined below, is applied based on the quantitative significance of the event and the time elapsed since the event date. There were no instances where judgement was

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applied to utilise a different model approach than outlined in the decision criterion.

Type of event	Time since event	Model used
Significant[1]	Less than three months	• Geospatial Model • Reported estimates are considered if available
Significant	Three to six months	• A credibility weighting approach is applied, assigning equal weight (50 per cent) to both the Geospatial and Development Models
Other with no reported estimates	Less than six months	• Geospatial Model
Other with reported estimates	Less than six months	• Development Model
All (both significant and other) with reported estimates[2]	Older than six months	• Development Model

[1] Significant events are defined as a major natural disaster expected to results in a Commonwealth outlay of greater than $500 million.

[2] Events older than six months with nil estimates are assumed to be immaterial unless other information suggests otherwise.

The development model used to support the valuation of the categories of events not requiring Prime Minister approval relies on historical estimates and claims data and observes patterns in the 'development' of reported costs over time provided by the States and Territories to NEMA. The 'development factors' used in the valuation are based on analysis of historical disaster expenditure since 2018, which can then be applied to more recent events to estimate ultimate costs, assuming patterns of development in the future will be similar to those observed in the past. These approaches are only suitable for events with reported estimates or claims information at the valuation date. Given the uncertainty inherent in recent events, the adoption of a longer data series (i.e. 2018 onwards) reduces the volatility in the development factors. As the model is based on historical trends, development factors will be refined over time.

The geospatial model combines high resolution spatial hazard data, physical exposure data (including roads and residential buildings), population data and past DRFA expenditure data to estimate the potential cost of natural disaster events before State/Territory estimates are available. As it is not possible to separately model each type of public asset within the estimated disaster area, the estimated cost of expenditure is notionally calculated using damage to road infrastructure as a proxy to calculate the value of essential public assets impacted, calibrated against past events to derive an estimated cost.

Combining these two models yields a projection of expenditure for all events that occurred prior to the valuation date. The DRFA reimbursement calculation estimate is applied to calculate the Commonwealth reimbursement payable in each year of the projection. The projected Commonwealth reimbursements are then discounted to estimate the Commonwealth's liability (provision) in respect of future DRFA payments at the valuation date.

Sensitivity Analysis

Noting the uncertainty in calculating the provision, the following sensitivity analysis is included to demonstrate how the balance of the provision could be impacted by changes in actuarial assumptions. The sensitivities do not represent an upper or lower estimate of the provision but provide an indication of the uncertainty inherent in the provision. For each row in the sensitivity analysis below, only the item specified is changed, holding all else constant. The 5% movement to the development factors approximates the impact on the provision when the development factors are calculated using more recent and volatile data (i.e. less than 3 years). The geospatial model's upper and lower estimates correspond with a 75% confidence interval based on the distribution of past events (primarily flood events recently).

Sensitivity	Liability estimate ($m)	Percentage change
Base valuation result	16,551.3	
Development factors are 5% higher than assumed	18,277.0	10.4%
Development factors are 5% lower than assumed	15,501.2	(6.3%)
Development factors are calculated using data for events since June 2022 (instead of June 2018)	17,597.2	6.3%
Geospatial model upper estimates are adopted (rather than the central estimate)	18,553.6	12.1%
Geospatial model lower estimates are adopted (rather than the central estimate)	14,847.3	(10.3%)

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Change in accounting estimates

Treasury's implementation of AGA's valuation model represents a change in accounting estimates for categories of events not requiring Prime Minister approval for the 2024-25 financial statements. This is a result of the actuarial approach being adopted. The new valuation methodology calculates a more reliable estimate of the provision by including factors to reflect growth in cost estimates over time and geospatial data. As the new valuation method now incorporates estimates for recent eligible events that do not have reported estimates, Treasury will no longer report these items as unquantifiable contingent liabilities.

The change in accounting estimate results in the provision being estimated at $16.6 billion as at 2024-25. This includes:

- $13.2 billion to reflect estimates of eligible unacquitted expenditure reported by the states and territories as at 30 June 2025 (per prior provision estimation methodology); and
- $3.4 billion to allow for projected development on events with reported estimates and recent events that do not have reported estimates at the valuation date (previously reported as contingent liabilities).

6. Funding

This section identifies the Treasury funding structure.

6.1. Appropriations

Note 6.1A: Annual Appropriations

Annual Appropriations for 2025

		Appropriation Adjustments			
	Annual Appropriation[1] $'000	**Section 74 Receipts[2] $'000**	**Total appropriation $'000**	**Appropriation applied in 2025 (current and prior years) $'000**	**Variance[3,4] $'000**
DEPARTMENTAL					
Ordinary annual services	398,889	33,812	432,701	(411,736)	20,965
Capital Budget	3,537	-	3,537	(3,164)	373
Total departmental	**402,426**	**33,812**	**436,238**	**(414,900)**	**21,338**
ADMINISTERED					
Ordinary annual services					
Administered items	**177,397**	**-**	**177,397**	**(127,678)**	**49,719**
Payments to Corporate Commonwealth Entities	**5,428**	**-**	**5,428**	**(5,428)**	**-**
Other services					
Administered assets and liabilities	**1,544,000**	**-**	**1,544,000**	**(635,379)**	**908,621**
Total administered	**1,726,825**	**-**	**1,726,825**	**(768,485)**	**958,340**

1. In 2024-25 the revenue from government reported in the statement of comprehensive income is $398.52 million, the $0.37 million difference relates to section 51 of the PGPA Act with a determination date of 27 June 2025.
2. Adjustments to appropriations include GST related receipts retained under the section 74 of the PGPA Act. In 2024–25, the Treasury has changed the presentation of appropriations disclosed in the appropriation note to include GST amounts retained under section 74 of the PGPA Act. In prior years, retainable GST under section 74 of the PGPA Act was excluded from the appropriation note.
3. Departmental Capital Budgets are appropriated through Appropriation Act (No.1). They form part of ordinary annual services and are not separately identified in the Appropriation Acts.
4. The current year unspent administered appropriation includes $584.6 million subject to section 51 of PGPA Act withholding quarantine, these funds are considered legally available appropriation as at 30 June 2025.

Annual Appropriations for 2024

	Annual Appropriation $'000	*Appropriation Adjustments* Section 74 Receipts $'000	Total appropriation $'000	Appropriation applied in 2024 (current and prior years) $'000	Variance[1,2] $'000
DEPARTMENTAL					
Ordinary annual services	349,408	38,178	387,586	(383,403)	4,183
Capital Budget	3,500	-	3,500	(5,485)	(1,985)
Total departmental	352,908	38,178	391,086	(388,888)	2,198
ADMINISTERED					
Ordinary annual services					
Administered items	846,671	-	846,671	(795,445)	51,226
Other services					
Administered assets and liabilities	825,000	-	825,000	(300,000)	525,000
Total administered	1,671,671	-	1,671,671	(1,095,445)	576,226

1. In 2023-24 the revenue from government reported in the statement of comprehensive income was $347.20 million, the $2.20 million difference related to section 51 of the PGPA Act with a determination date of 26 June 2024. The prior year unspent administered appropriation included $9.14 million subject to administrative quarantine and $566.79 million subject to section 51 of PGPA Act withholding quarantine, these funds were considered legally available appropriation as at 30 June 2024.
2. Departmental Capital Budgets are appropriated through Appropriation Act (No.1). They form part of ordinary annual services and are not separately identified in the Appropriation Acts. The variance is funded from prior year appropriations.

Note 6.1B: Unspent Annual Appropriations ('recoverable GST exclusive')

Authority	2025 $'000	2024 $'000
Departmental		
Appropriation Act (No. 1) 2021-22[1]	-	789
Supply Act (No. 1) 2022-23 - DCB[2]	3,682	3,682
Supply Act (No. 2) 2022-23 - Equity[3]	126	126
Supply Act (No. 3) 2022-23 - DCB[4]	1,675	1,675
Supply Act (No. 4) 2022-23 - Equity[3]	177	177
Appropriation Act (No. 1) 2023-24[5]	2,204	105,958
Appropriation Act (No. 1) 2023-24 - DCB	-	205
Appropriation Act (No. 3) 2023-24	-	9,156
Appropriation Act (No. 1) 2024-25[6]	125,415	-
Appropriation Act (No. 1) 2024-25 - DCB	578	-
Appropriation Act (No. 3) 2024-25	9,550	-
Cash at Bank	749	1,839
Total departmental	**144,156**	123,607
Administered		
Appropriation Act (No. 1) 2021-2022[7]	**-**	3,730
Appropriation Act (No. 3) 2021-2022[7]	**-**	38,037
Appropriation Act (No. 4) 2021-2022[7]	**-**	6,153
Supply Act (No. 1) 2022-2023[8]	**646**	646
Appropriation Act (No. 1) 2022-2023[8,9]	**8,545**	8,545
Appropriation Act (No. 1) 2023-2024[10]	**14,287**	14,587
Appropriation Act (No. 3) 2023-2024[11]	**39,468**	39,468
Appropriation Act (No. 4) 2023-2024[12]	**525,000**	525,000
Appropriation Act (No. 1) 2024-2025[13]	**45,251**	**-**
Appropriation Act (No. 2) 2024-2025[14]	**908,621**	**-**
Appropriation Act (No. 3) 2024-2025	**4,768**	**-**
Total administered	**1,546,586**	636,166

1. 2021-22 Appropriation Act was repealed on 1 July 2024.
2. Supply Act (No.1) 2022-2023 - DCB includes reallocated funds of $3.68 million. These funds are considered legally available appropriations as at 30 June 2025.
3. 2022-23 Appropriation Act will self-repeal on 1 July 2025.
4. Supply Act (No.3) 2022-2023 - DCB includes reallocated funds of $1.68 million. These funds are considered legally available appropriations as at 30 June 2025.
5. Appropriation Act (No.1) 2023-2024 - Operating includes reallocated funds of $2.20 million. These funds are considered legally available appropriations as at 30 June 2025.
6. Appropriation Act (No.1) 2024-2025 - Operating includes reallocated funds of $0.37 million. These funds are considered legally available appropriations as at 30 June 2025.
7. 2021-22 Appropriation Act was repealed on 1 July 2024.
8. 2022-23 Appropriation Act will self-repeal on 1 July 2025.
9. Appropriation Act (No.1) 2022-23 includes unspent funds of $8.545 million. Of that, $0.068 million is subject to PGPA Act section 51 withholding quarantine and are considered legally available appropriations as at 30 June 2025.
10. Appropriation Act (No.1) 2023-24 includes unspent funds of $14.287 million. Of that, $13.939 million is subject to PGPA Act section 51 withholding quarantine and are considered legally available appropriations as at 30 June 2025.
11. Appropriation Act (No.3) 2023-24 included unspent funds of $39.468 million. Of that, $39.143 million is subject to PGPA Act section 51 withholding quarantine and are considered legally available appropriations as at 30 June 2025.
12. Appropriation Act (No.4) 2023-24 includes unspent funds of $525.000 million, the funds are subject to PGPA Act section 51 withholding quarantine and are considered legally available appropriations as at 30 June 2025.
13. Appropriation Act (No.1) 2024-25 includes unspent funds of $45.251 million. Of that $22.390 million is subject to PGPA Act section 51 withholding quarantine and are considered legally available appropriations as at 30 June 2025.
14. Appropriation Act (No.2) 2024-25 includes unspent funds of $908.621 million. Of that $562.173 million is subject to PGPA Act section 51 withholding quarantine and are considered legally available appropriations as at 30 June 2025.

Note 6.1C: Special Appropriations ('recoverable GST exclusive')

Authority	Appropriation applied 2025 $'000	2024 $'000
Australian Business Growth Fund (Coronavirus Economic Response Package) Act 2020, s18	**(4,630)**	(4,630)
Corporations Act 2001, s1069P(2)	**(264,995)**	-
European Bank for Reconstruction and Development Act 1990, s4	**(13,815)**	-
Federal Financial Relations Act 2009, s22	**(128,699,197)**	(122,517,152)
Guarantee of Lending to Small and Medium Enterprises (Coronavirus Economic Response Package) Act 2020, s6	**(50,936)**	(16,604)
Housing Australia Act 2018, s48A[1]	**(25)**	(36)
International Finance Corporation Act 1955, s5, s5B(2)	**-**	(31,966)
International Monetary Agreements Act 1947, s8	**(677,683)**	(777,979)
International Monetary Agreements Act 1947, s8C(3)	**(570,000)**	(600,000)
International Monetary Agreements Act 1947, s9	**-**	(33,968)
Public Governance, Performance and Accountability Act 2013, s.77	**(18)**	-
Total payments	**(130,281,299)**	(123,982,335)
Notional payments		
Commonwealth Places (Mirror Taxes) Act 1998, s23(4)[2]	**(968,397)**	(902,633)
Total notional payments	**(968,397)**	(902,633)
Total special appropriations	**(131,249,696)**	(124,884,968)

[1] From 12 October 2023, the National Housing Finance and Investment Corporation became Housing Australia. This special appropriation as previously in force is continued in existence under section 48A of the *Housing Australia Act 2018*. The special appropriation was originally under section 48A of the *National Housing Finance and Investment Corporation Act 2018*.

[2] The Australian Government's mirror taxes arrangements mirror certain state taxes, including payroll taxes, land taxes and stamp duties, with respect to Commonwealth places. The States and Territories (the States) collect these mirror taxes on behalf of the Australian Government and bear the administrative cost of collection. All mirror taxes are credited to the Australian Government and simultaneously appropriated to the States.

The following special appropriations were not drawn upon in the current or prior year:

Asian Development Bank (Additional Subscription) Act 1972, s7
Asian Development Bank (Additional Subscription) Act 1977, s7
Asian Development Bank (Additional Subscription) Act 1983, s6
Asian Development Bank (Additional Subscription) Act 1995, s6
Asian Development Bank (Additional Subscription) Act 2009, s6
Asian Development Bank Act 1966, s4
Asian Infrastructure Investment Bank Act 2015, s7
Banking Act 1959, s69(8)
Corporations Act 2001, s846(B)
Financial Agreements (Commonwealth Liability) Act 1932, s4(3)
Guarantee of State and Territory Borrowing Appropriation Act 2009, s5
Guarantee Scheme for Large Deposits and Wholesale Funding Appropriation Act 2008, s5
Help to Buy Act 2024, s27(4)
International Bank for Reconstruction and Development (General Capital Increase) Act 1989, s6
International Bank for Reconstruction and Development (Share Increase) Act 1988, s5(1)
International Financial Institutions (Share Increase) Act 1982, s7(1)
International Financial Institutions (Share Increase) Act 1986, s7(1)
International Monetary Agreements Act 1947, s8CA(4)
International Monetary Agreements Act 1947, s8A
International Monetary Agreements Act 1947, s8CAA(2)
International Monetary Agreements Act 1947, s5A(6)
International Monetary Agreements Act 1947, s8B(2)
International Monetary Agreements Act 1960, s4
International Monetary Agreements Act 1974, s6
Medicare Guarantee Act 2017, s18
Multilateral Investment Guarantee Agency Act 1997, s4
Papua New Guinea Loans Guarantee Act 1975, s4
States Grants Act 1927, s7
Superannuation Industry (Supervision) Act 1993, s231(4)
Terrorism and Cyclone Insurance Act 2003, s42(3)
Terrorism and Cyclone Insurance Act 2003, s37

Note 6.1D: Disclosure by agent in relation to Annual and Special Appropriations ('Recoverable GST exclusive')

2025	**Department of Education** Payments to the States and Territories: Education services **$'000**	**Department of Climate Change, Energy, the Environment and Water** Payments to the States and Territories: Water for the Environment Special Account **$'000**
Total receipts	**33,010,710**	**75,920**
Total payments	**33,010,710**	**75,920**

2024	**Department of Education** Payments to the States and Territories: Education services $'000	**Department of Climate Change, Energy, the Environment and Water** Payments to the States and Territories: Water for the Environment Special Account $'000
Total receipts	30,935,933	54,016
Total payments	30,935,933	54,016

Total receipts and total payments are made through the Treasury on behalf of other Commonwealth entities to State and Territory Treasuries under the Federation Reform Fund (FRF) arrangements.

6.2. Special Accounts

	Housing Australia Special Account[1]		Medicare Guarantee Fund (Treasury) Special Account[2]		The Housing Australia Future Fund Payments Special Account[3]	
	2025 $'000	2024 $'000	**2025 $'000**	2024 $'000	**2025 $'000**	2024 $'000
Balance as at 1 July (represented by cash held in the OPA)	**203,163**	923,892	**-**	-	**-**	-
Opening balance adjustment*	**-**	(558,827)	**-**	-	**-**	-
Adjusted opening balance	**203,163**	365,065	**-**	-	**-**	-
Increases						
Appropriations credited	**558,827**	-	**-**	-	**-**	-
Statutory credits	**-**	-	**46,000,000**	47,521,044	**-**	-
Other receipts	**281,748**	68,891	**-**	-	**400,000**	-
Total increases	**840,575**	68,891	**46,000,000**	47,521,044	**400,000**	-
Available for payments	**1,043,738**	433,956	**46,000,000**	47,521,044	**400,000**	-
Decreases						
Payments made to other entities	**(160,189)**	(230,793)	**-**	-	**(282,876)**	-
Transfers made to Medicare Guarantee Fund (Health) Special Account	**-**	-	**(46,000,000)**	(47,521,044)	**-**	-
Total decreases	**(160,189)**	(230,793)	**(46,000,000)**	(47,521,044)	**(282,876)**	-
Total balance carried to the next period	**883,549**	203,163	**-**	-	**117,124**	-
Balance represented by						
Cash held in Official Public Account	**883,549**	203,163	**-**	-	**117,124**	-
Balance as at 30 June (represented by cash held in the OPA)	**883,549**	203,163	**-**	-	**117,124**	-

*The comparative opening balance has been restated due to a prior period error, refer Overview note.

1. Appropriation: *Public Governance, Performance and Accountability Act 2013*, section 80.
Establishing instrument: *Housing Australia Act 2018*, section 47A.
From 12 October 2023, the National Housing Finance and Investment Corporation became Housing Australia.
The special account established by this section as previously in force is continued in existence under the name Housing Australia special account. The special account was originally named the National Housing Finance and Investment Corporation special account.
Purpose: Housing Australia may make grants or loans in the performance of its financing function or in relation to acute housing needs, social housing or affordable housing. Housing Australia may also make loans for other purposes as agreed between the Minister and the Finance Minister in accordance with the Investment Mandate.
Any principal repayment to the Commonwealth through this Account, may be “recycled” and the amount re-issued. Interest is used to cover the Commonwealth’s cost of borrowing and cannot be “recycled”.

2. Appropriation: *Public Governance, Performance and Accountability Act 2013*, section 80.
Establishing instrument: *Medicare Guarantee Act 2017*, section 6.
Purpose: *The Medicare Guarantee Act 2017* (the Act) is to secure ongoing funding of the Medical Benefits Schedule (MBS) and Pharmaceutical Benefits Scheme (PBS).
The Act establishes the Medicare Guarantee Fund (MGF), which consists of the Medicare Guarantee Fund (Treasury) Special Account (Treasury Special Account) and the Medicare Guarantee Fund (Health) Special Account (Health Special Account). The Treasury Special Account is administered by the Department of the Treasury and the Health Special Account is administered by the Department of Health, Disability and Ageing.

3. Appropriation: *Public Governance, Performance and Accountability Act 2013*, section 80.
Establishing instrument: *Housing Australia Future Fund Act 2023*, section 25.
Purpose: *The Housing Australia Future Fund Act 2023* (the Act) established the Housing Australia Future Fund as a dedicated investment vehicle to provide additional funding to support and increase social and affordable housing, as well as other acute housing needs including, but not limited to, the particular needs of Indigenous communities and housing services for women, children and veterans.

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6.2 Special Accounts (continued)

	Federation Reform Fund Special Account[4]		Fuel Indexation (Road Funding) Special Account[5]	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Balance as at 1 July (represented by cash held in the OPA)	**4,700**	24,085	**-**	-
Increases				
Statutory credits	**22,598,966**	15,592,313	**2,688,000**	1,773,000
Other receipts	**3,012,934**	3,021,729	**-**	-
Total increases	**25,611,900**	18,614,042	**2,688,000**	1,773,000
Available for payments	**25,616,600**	18,638,127	**2,688,000**	1,773,000
Decreases				
Payments made to States and Territories	**(25,206,771)**	(18,633,427)	**-**	-
Transfer made to Federation Reform Fund Special Account	**-**	-	**(2,688,000)**	(1,773,000)
Total decreases	**(25,206,771)**	(18,633,427)	**(2,688,000)**	(1,773,000)
Total balance carried to the next period	**409,829**	4,700	**-**	-
Balance represented by				
Cash held in Official Public Account	**409,829**	4,700	**-**	-
Balance as at 30 June (represented by cash held in the OPA)	**409,829**	4,700	**-**	-

4. Appropriation: *Public Governance, Performance and Accountability Act 2013*, section 80.
Establishing instrument: *Fuel Indexation (Road Funding) Special Account Act 2015*, section 7.
Purpose: To ensure that amounts equal to the net revenue from indexation on customs and excise duties on fuel are transferred to the Federation Reform Fund in order to provide funding to the States and Territories for expenditure in relation to Australian road infrastructure investment.

5. Appropriation: *Public Governance, Performance and Accountability Act 2013*, section 80.
Establishing instrument: *Federation Reform Fund Act 2008*, section 5.
Purpose: For the making of grants of financial assistance to the States and Territories.
Note: The Treasury makes payments to the States and Territories from the Federation Reform Fund special account based on information provided by other Government departments that have policy and program implementation responsibility.

Financial System Stability Special Account

The Treasury's Financial System Stability special account was established under section 70E of the *Banking Act 1959* for the making of payments authorised under specified sections of the *Banking Act 1959*, the *Insurance Act 1973* and the *Life Insurance Act 1995* and to meet expenses of administering the special account. For the period ended 30 June 2024 and 30 June 2025 this special account had nil balances and no transactions were credited or debited to the account.

Services for Other Entities and Trust Monies Special Account (SOETM)

The Treasury's SOETM special account 2022 was established under the Public Governance, Performance and Accountability Act 2013, section 78 by the establishing instrument PGPA Act Determination (Treasury SOETM Special Account 2022). This instrument came into effect on 28 September 2022. The SOETM's purpose is to disburse amounts held on trust for the benefit a person other than the Commonwealth or in connection with services performed on or behalf of other governments and bodies. For the period ended 30 June 2024 and 30 June 2025 this account held a nil balance and no transactions were credits or debited to the account.

6.3 Net Cash Appropriation Arrangements

	2025	2024
	$'000	$'000
Total comprehensive income/(loss) - as per the Statement of Comprehensive Income	(1,104)	(6,376)
Plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections)[1]	8,043	7,963
Plus: depreciation of right-of-use assets[2]	12,784	12,884
Less: lease principal repayments[2]	(10,842)	(12,006)
Total comprehensive income/(loss) less expenses previously funded through revenue appropriations	**8,881**	2,465
Changes in asset revaluation reserve	(8)	(4,251)
Net cash Operating Surplus/(Deficit)	**8,873**	(1,786)

1. From 2011, the Government introduced net cash appropriation arrangements where revenue appropriations for depreciation and amortisation expenses ceased. Entities now receive a separate capital budget provided through equity appropriations and/or departmental capital budget funding. Capital budgets are appropriated in the period when cash payment for capital expenditure is required.
2. The inclusion of depreciation/amortisation expenses related to ROU leased assets and the lease liability principal repayment amount reflects the impact of AASB 16 Leases, which does not directly reflect a change in appropriation arrangements.

7. Managing uncertainties

This section analyses how the Treasury manages financial risks within its operating environment.

7.1. Departmental Contingent Assets and Liabilities

Quantifiable Contingencies

As at 30 June 2025, the department has no quantifiable contingent assets or liabilities.

Contingent liabilities and contingent assets

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

7.2. Administered Contingent Assets and Liabilities

Quantifiable Administered Contingencies

Quantifiable administered contingencies that are not remote are listed below.

Contingent Liabilities

International Monetary Fund (IMF) – 16th General Review of Quota

The Australian Government has agreed to approve a 50 per cent increase to the International Monetary Fund (IMF) quota. Under the agreement, Australia's quota will increase by approximately Special Drawing Rights (SDR) 3.29 billion (approximately $6.89 billion as at 30 June 2025). This increase maintains Australia's voting power at the IMF, the share of any future SDR allocation and increases access to fund financing. The timing of the contribution is uncertain, it will come into effect no earlier than 15 November 2025 however is subject to conditions including consent by IMF members that represent 85 per cent of existing quota. 25 per cent of the increase (SDR 821.55 million; approximately $1.72 billion as at 30 June 2025) will be made in foreign currency (in consultation with the IMF) and the remainder will be covered by Australian dollar denominated promissory notes. To maintain the IMF's overall lending capacity, if the IMF quota increase is implemented it will be largely offset by reductions in Australia's other IMF commitments – namely the New Arrangements to Borrow (NAB) and the Bilateral Borrowing Arrangements (BBA).

IMF New Arrangements to Borrow (NAB)

Australia has made a line of credit available to the IMF under its New Arrangements to Borrow (NAB) since 1998. This is a contingent loan to help ensure that the IMF has the resources available to maintain stability and support recovery in the global economy. The current agreement will expire on 31 December 2030 and the value of Australia's NAB line of credit stands at approximately SDR 4.44 billion (approximately $9.31 billion as at 30 June 2025) (2024: SDR 4.44 billion, $8.81 billion). On 9 April 2024, the Australian Government agreed that if the IMF quota increase is implemented, Australia's NAB commitment will decrease by SDR 0.72 billion to SDR 3.72 billion (decrease of $1.51 billion to approximately $7.80 billion as at 30 June 2025).

The IMF does not publish annual estimates of the amount it expects to call under the NAB facility. However, to be drawn upon, the NAB needs to be activated by the IMF Executive Board. The last NAB activation period was terminated in February 2016 and the IMF is currently relying on its quota resources to fund new lending (although the NAB can be called upon to fund IMF programs that were approved under previous activations). The IMF did not call on Australia's NAB facility in the current year.

IMF Bilateral Borrowing Arrangement (BBA)

In addition to the NAB credit line as part of a broad international effort to increase the resources available to the IMF, Australia has made available a SDR 1.986 billion (approximately $4.16 billion as at 30 June 2025) contingent bilateral loan to the IMF (2024: SDR 1.986 billion, $3.94 billion). The contingent loan is on terms consistent with other bilateral loan and note the purchase agreements between the IMF and all contributing countries. It will be drawn upon by the IMF only if needed to supplement the IMF's quota and NAB resources and any loans would be repaid in full, with interest. On 1 October 2024, Australia agreed to extend the Bilateral Borrowing Arrangement (BBA) to 31 December 2027. If the IMF quota increase is implemented, Australia's BBA will be terminated and the IMF will repay any outstanding claim under this agreement.

Quantifiable Administered Contingencies - Contingent Liabilities (continued)

IMF Poverty Reduction and Growth Trust (PRGT)

The Australian Government has entered into agreements to make a line of credit available to the IMF under the Poverty Reduction and Growth Trust (PRGT) through to 31 December 2029. The Poverty Reduction and Growth Trust provides concessional financial support to low-income countries to help them achieve, maintain, or restore a stable and sustainable macroeconomic position. PRGT funds are drawn upon by the IMF as needed and will be repaid in full, with interest.

Through these agreements, the Government has made available a line of credit of SDR 1.00 billion (approximately $2.10 billion as at 30 June 2025) to the IMF (2024: SDR 1.00 billion, $1.98 billion) under the PRGT. As at 30 June 2025, the undrawn balance on the line of credit is SDR 682.4 million (approximately $1.43 billion) (2024: SDR 739.4 million, $1.47 billion).

IMF Resilience and Sustainability Trust

On 11 October 2022, the Australian government entered into an agreement to make a SDR 760.00 million (approximately $1.59 billion as at 30 June 2025) (2024: SDR 760 million, $1.51 billion) line of credit available to the IMF under the Resilience and Sustainability Trust's (RST) Loan Account through to 30 November 2030. The RST Loan Account provides affordable long-term financing to help vulnerable countries build economic resilience and sustainability to address the risks stemming from climate change and pandemic preparedness. RST Loan Account funds are drawn upon by the IMF as needed and will be repaid in full with interest. As at 30 June 2025 the undrawn balance on the line of credit is SDR 622.28 million (approximately $1.30 billion) (2024: SDR 745.83 million, $1.48 billion). Please refer to note 5.1C Investments for more details on the RST.

International financial institutions — uncalled capital subscriptions

The Australian Government has held an uncalled capital subscription in the International Bank for Reconstruction and Development (IBRD) since 1947. Australia's uncalled capital subscription to the IBRD totals US$4.37billion (estimated value $6.67 billion as at 30 June 2025) (2024: US$4.37 billion, $6.60 billion).

The Australian Government has held an uncalled capital subscription to the European Bank for Reconstruction and Development (EBRD) since 1991. Australia's uncalled capital subscription to the EBRD totals EUR 237.54 million (estimated value $425.24 million as at 30 June 2025) (2024: EUR237.54 million, $383.38 million).

The Australian Government has held an uncalled capital subscription to the Asian Development Bank (ADB) since 1966. Australia's uncalled capital subscription to the ADB totals US$7.04 billion (estimated value $10.75 billion as at 30 June 2025) (2024: US$7.04 billion, $10.63 billion).

The Australian Government holds an uncalled capital subscription to the Multilateral Investment Guarantee Agency (MIGA) of US$26.46 million (estimated value $40.40 million as at 30 June 2025) (2024: US$26.46 million, $39.95 million).

The Australian Government holds an uncalled capital subscription to the Asian Infrastructure Investment Bank (AIIB) of US$2.95 billion (estimated value $4.51 billion as at 30 June 2025) (2024: US$2.95 billion, $4.46 billion).

None of these international financial institutions have ever drawn on Australia's uncalled capital subscriptions.

Australian Business Growth Fund

The Australian Government holds an uncalled capital subscription to the Australian Business Growth Fund (ABGF). The uncalled capital subscription to the ABGF totals $53.56 million as at 30 June 2025 (2024: $58.19 million). The Commonwealth committed $100 million in total to the ABGF, but drawdown is capped at 20% per year of its total commitment.

Guarantee by Commonwealth – Reserve Bank of Australia (RBA)

The Australian Government guarantees the liabilities of the Reserve Bank of Australia, measured as the Bank's total liabilities excluding capital, reserves, and Australian Government deposits. The principal component of the Bank's liabilities consists of exchange settlement balances. As at 30 June 2025, the total guarantee is $333.31 billion (2024: $340.84 billion) and the RBA's liabilities exceeded its assets by $5.61 billion (2024: $20.72 billion) in accordance with its audited financial statements.

The net liability position mainly reflects accumulated losses from the RBA's policy response to the COVID-19 pandemic. The improvement since 30 June 2024 reflects the accounting profit recorded by the RBA in 2024-25 and valuation gains on the RBA's gold holdings. The Treasury's view is that the RBA as a central bank, is unique in its ability to create liquidity to meet its liabilities as and when they fall due, the RBA will continue to operate effectively in accordance with its functions and objectives set out in the Reserve Bank Act and in the Statement on the Conduct of Monetary Policy.

Quantifiable Administered Contingencies - Contingent Liabilities (continued)

Guarantee by Commonwealth — Housing Australia

The Commonwealth has agreed to make available loans to Housing Australia, as outline in Note 6.2 Special Accounts for amounts up to:

- $4.00 billion for the Affordable Housing Bond Aggregator (ABHA)
- $1.74 billion for the Housing Australia Future Fund Facility (HAFF)
- $0.18 billion for the National Housing Accord Facility (NHAF)

Under the Loan Agreements with the Treasury, Housing Australia can access the funds by completing a Utilisation Request and providing this to Treasury. The Australian Government guarantees the due payment of money payable by the Housing Australia to anybody other than the Government.

The Housing Australia Board must not allow Housing Australia to enter into a transaction that would result in its total guaranteed liabilities, and any outstanding amount borrowed from the Government, to exceed $26.00 billion, unless approved by the Government.

Unquantifiable Administered Contingencies

Contingent Liabilities

Terrorism insurance — Australian Reinsurance Pool Corporation

The Terrorism and Cyclone Insurance Act 2003 established a scheme for terrorism insurance covering damage to commercial property, including associated business interruption and public liability. The Australian Reinsurance Pool Corporation (ARPC) uses reinsurance premiums paid by insurers to meet its administrative expenses, to maintain a pool of funds and to purchase reinsurance to help meet future claims. The Commonwealth guarantees to pay any liabilities of the ARPC, but the Treasurer must declare a reduced payout rate to insured entities if the Government's liability would otherwise exceed $10 billion.

Cyclone Reinsurance Pool – Australian Reinsurance Pool Corporation

The Government provides an annually reinstated Government guarantee to the ARPC of $10 billion, or a larger amount if required, to support a reinsurance pool for the impact of cyclones and related flooding on eligible insured properties. The guarantee took effect from 1 July 2022 and may be called upon in the event of a large cyclone and related flooding, to ensure the ARPC can pay any and all liabilities.

The reinsurance pool is designed to be cost-neutral to Government over time, based on the predicted cost and frequency of cyclone events. The estimated value and range of calls on the guarantee is unquantifiable due to significant uncertainty in the frequency and severity of cyclones and the resulting losses.

Indemnities for specialised external advisers during the COVID-19 pandemic

The Government has provided indemnities for certain external specialised advisers engaged to provide advice on emerging markets issues related to COVID-19. Indemnities were provided to mitigate personal risk and provide coverage for costs related to any legal proceedings that may arise in relation to the provision of that advice.

The indemnities apply for the period of engagement as advisers and for claims that are notified within 12 years after cessation of the advisers' engagement. Until the indemnity agreements are varied or expire, they will remain as contingent and unquantifiable liabilities.

Unquantifiable Administered Contingencies

Contingent Assets

Burden sharing in the International Monetary Fund (IMF) remuneration

Since 1986, the IMF has used its burden sharing mechanism to make up for the loss of income from unpaid charges on the loans of debtor members. Under burden sharing, temporary financing in equal amounts is obtained from debtor and creditor members by increasing the rate of charge and reducing the rate of remuneration, respectively, to (1) cover shortfalls in the IMF's regular income from unpaid charges ("deferred charges") and (2) accumulate precautionary balances against possible credit default in a contingent account, the Special Contingent Account (SCA-1). SCA-1 accumulations were suspended effective November 1, 2006.

Due to the inherent uncertainty around shortfalls in IMF income, burden sharing contributions represent a contingent asset that cannot be reliably measured and as such is recorded as an unquantifiable contingent asset.

Interim Placement Administered Account (IPAA) with the IMF

The 2024 Poverty Reduction Growth Trust (PRGT) Facilities and Financing Review adopted a comprehensive framework to address PRGT resource needs and restore the self-sustainability of the PRGT. A central part is the distribution framework for IMF General Resources Account (GRA) to generate additional PRGT subsidy resources of SDR 5.9 billion (in 2025 present value terms). Under this framework, net income/reserves will be transferred from the GRA and placed to the IPAA, subject to adequate financial position of the GRA. The principal amounts in the IPAA would become available to members for disposition based on their quota shares once assurances equivalent to 90 per cent (SDR 6.21 billion) have been secured from members. The IMF has advised Australia that our share of the assets in the IPAA account is expected to be SDR 95.2 million at the completion of the arrangement.

7.3. Financial Instruments

	2025 $'000	2024 $'000
Note 7.3A: Categories of Financial Instruments		
Financial assets at amortised cost		
Goods and services receivables	3,374	4,152
Cash and cash equivalents	749	1,839
Other receivables	596	1,777
Total financial assets at amortised cost	**4,719**	7,768
Financial Liabilities		
Financial liabilities measured at amortised cost		
Suppliers	10,239	12,097
Employee benefits	10,471	6,886
Other payables	6,049	3,512
Total financial liabilities measured at amortised cost	**26,759**	22,495

Accounting Policy

Financial assets

The Treasury classifies its financial assets in the following categories:

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

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

Financial Assets at Amortised Cost

Financial assets included in this category need to meet two criteria:
1. the financial asset is held in order to collect the contractual cash flows; and
2. the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

Effective Interest Method

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

Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI)

Financial assets measured as at fair value through other comprehensive income are held with the objective of both collecting contractual cash flows and selling the financial assets and the cash flows meet the Solely Payments of Principal and Interest (SPPI) test.

Any gains or losses as a result of fair value measurement or the recognition of an impairment loss allowance is recognised in other comprehensive income.

Financial Assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets are classified as financial assets at fair value through profit or loss where the financial assets either doesn't meet the criteria of financial assets held at amortised cost or at fair value through other comprehensive income (i.e. mandatorily held at fair value through profit or loss) or may be designated.

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest earned on the financial asset.

Accounting Policy (continued)

Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period based on expected credit losses, using the general approach which measures the loss allowance based on an amount equal to *lifetime expected credit losses* where risk has significantly increased, or an amount equal to *12-month expected credit losses* if risk has not increased.

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

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

Financial liabilities

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

Financial Liabilities at Fair Value Through Profit or Loss

Financial liabilities at fair value through profit or loss are initially measured at fair value. Subsequent fair value adjustments are recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Financial Liabilities at Amortised Cost

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

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent the goods or services have been received (and irrespective of having been invoiced).

7.4. Administered - Financial Instruments

	2025 $'000	2024 $'000
Note 7.4A: Categories of Financial Instruments		
Financial assets at amortised cost		
Cash and cash equivalents[1]	**1,410,502**	207,863
Loans to States and Territories	**-**	15,953
Loans to Housing Australia	**116,451**	238,010
IMF NAB loans	**-**	-
IMF PRGT loan	**665,921**	517,165
IMF RST Loan	**288,779**	28,136
Concessional Loans	**2,452,413**	2,185,716
IMF Maintenance of Value	**-**	83,588
Accrued interest - IMF related transactions	**84,138**	108,255
Accrued Interest - AEMO Loan	**-**	1
Accrued Interest - loans to Housing Australia	**1,297**	2,586
Accrued Interest - international loans	**90,457**	59,327
GST revenue allocation	**-**	680,929
Other receivables	**782**	927
Total assets at amortised cost	**5,110,740**	4,128,456
Financial assets at fair value through other comprehensive income		
International financial institutions	**3,194,437**	3,050,364
Australian Government entities	**2,968,508**	3,514,507
Australian Business Growth Fund	**27,923**	25,508
IMF Quota	**13,781,506**	13,045,653
IMF SDR holdings	**10,248,314**	10,059,537
IMF PRGT investment	**2,096,876**	1,984,915
IMF RST reserve account	**31,873**	30,171
IMF RST deposit account	**318,725**	301,707
Total assets at fair value through other comprehensive income	**32,668,162**	32,012,362
Total financial assets	**37,778,902**	36,140,818
Financial Liabilities		
Financial liabilities measured at amortised cost:		
Promissory notes	**9,360,635**	9,442,699
Grants payables	**1,968,716**	1,486,046
Suppliers payables	**58,080**	329
Other payables	**20**	1,381
IMF SDR allocation liability	**19,673,980**	18,623,503
IMF related monies owing	**98,134**	126,413
IMF Maintenance of Value	**478,067**	-
Total financial liabilities measured at amortised cost	**31,637,632**	29,680,371
Financial liabilities measured at fair value through profit or loss:		
Financial guarantees	**524,257**	567,650
Total financial liabilities measured at fair value through profit or loss	**524,257**	567,650
Total financial liabilities	**32,161,889**	30,248,021

[1] The comparative Cash and cash equivalents balance has been restated due to a prior period error, refer Overview note.

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	2025 $'000	2024 $'000
Note 7.4B: Net Gains and Losses on Financial Assets		
Financial assets at amortised cost		
Interest revenue[1]	**363,699**	355,501
Concessional Loan Discount Expense	**(254,104)**	(248,543)
Exchange gains/(loss)	**(440,149)**	76,390
Net gains/(losses) on financial assets at amortised cost	**(330,554)**	183,348
Financial assets at fair value through other comprehensive income		
Gains / (losses) recognised in equity	**(548,212)**	1,419,421
Interest revenue	**425,034**	525,817
Exchange gains/(loss)	**(111,458)**	(352,577)
Net gains/(losses) on financial assets at fair value through other comprehensive income	**(234,636)**	1,592,661
Net gains/(losses) on financial assets	**(565,190)**	1,776,009

1. Includes unwinding of the concessional discount.

	2025 $'000	2024 $'000
Note 7.4C: Net Gains and Losses on Financial Liabilities		
Financial liabilities measured at amortised cost		
Charges on SDR allocations	**(649,403)**	(783,894)
Exchange gains/(loss)	**559,501**	250,949
Net gains/(losses) on financial liabilities measured at amortised cost	**(89,902)**	(532,945)
Financial liabilities measured at fair value through profit or loss		
Change in fair value	**11,531**	168,178
Net gains/(losses) on financial liabilities at fair value through profit or loss	**11,531**	168,178
Net gains/(losses) on financial liabilities	**(78,371)**	(364,767)

Note 7.4D: Credit risk

The maximum exposure to credit risk of the Treasury's administered financial assets is the carrying amount of 'loans and receivables' (2024-25: $3.7 billion and 2023-24: $3.9 billion) and the carrying amount of 'investments' (2024-25: $32.7 billion and 2023-24: $32.0 billion).

The Treasury has performed assessments using historical data, financial statement data (audited and unaudited) and forward-looking data, including credit ratings, for transactions with other entities within the Commonwealth Government, other State and Territory governments, foreign governments and international financial institutions including the International Monetary Fund (IMF). Based on the assessments, there is no indication that a significant increase in expected credit loss over the next 12 months, or the lifetime of these transactions, will occur.

International financial institutions (including the IMF), the Australian Business Growth Fund, Housing Australia that the Treasury holds its financial assets with, have a minimum AAA credit rating. The Australian Energy Market Operator (AEMO) has AA credit rating. Therefore, the Treasury does not consider any of its financial assets to be at risk of default. Further detail is provided in the Accounting Policy for Administered Financial Instruments.

Note 7.4E: Liquidity risk

The Treasury's administered financial liabilities are promissory notes, grant liabilities, the IMF SDR allocation, other payables and liabilities associated with the SME Guarantee Scheme, Loan Recovery Scheme and the Housing Australia Home Guarantee Scheme. The contractual guarantee service obligation arising from the guarantee scheme for State and Territory borrowing is not included as there is no liquidity risk associated with this item. It is contingent on the value of the associated contractual fee receivable. The exposure to liquidity risk is based on the notion that the Treasury will encounter difficulty in meeting its obligations associated with administered financial liabilities. This is highly unlikely due to appropriation funding through special appropriations and non-lapsing capital appropriations as well as internal policies and procedures put in place to ensure there are appropriate resources for the Treasury to meet its financial obligations.

The following tables illustrate the maturities for non-derivative financial liabilities:

Maturities for financial liabilities in 2025

	On demand $'000	**Within 1 year $'000**	**1 to 2 years $'000**	**2 to 5 years $'000**	**> 5 years $'000**	**Total $'000**
Promissory notes	**-**	**-**	**-**	**-**	**9,360,635**	**9,360,635**
Grant liabilities	**-**	**1,968,716**	**-**	**-**	**-**	**1,968,716**
IMF SDR allocation liabilities	**-**	**-**	**-**	**-**	**19,673,980**	**19,673,980**
Financial guarantees	**-**	**66,250**	**74,777**	**205,592**	**177,638**	**524,257**
Other payables	**-**	**634,301**	**-**	**-**	**-**	**634,301**
Total	**-**	**2,669,267**	**74,777**	**205,592**	**29,212,253**	**32,161,889**

Maturities for financial liabilities in 2024

	On demand $'000	Within 1 year $'000	1 to 2 years $'000	2 to 5 years $'000	> 5 years $'000	Total $'000
Promissory notes	-	-	-	-	9,442,699	9,442,699
Grant liabilities	-	1,486,046	-	-	-	1,486,046
IMF SDR allocation liabilities	-	-	-	-	18,623,503	18,623,503
Financial guarantees	-	56,929	56,531	270,834	183,356	567,650
Other payables	-	128,123	-	-	-	128,123
Total	-	1,671,098	56,531	270,834	28,249,558	30,248,021

Note 7.4F: Market risk

Interest rate risk
Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Treasury is exposed to interest rate risk from loans and other receivables.

The Treasury considers it's interest rate risk to be not significant. Interest rate risk is primarily attributable to the international assistance loans, IMF transactions, loans to state and territory governments and loans to Housing Australia, which have fixed interest rates applied.

Foreign currency risk
Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Treasury is exposed to foreign exchange currency risk primarily through undertaking certain transactions denominated in foreign currency.

The Treasury is exposed to foreign currency denominated in USD, EUR and SDR.

The following table details the effect on profit and equity as at 30 June 2025 from an 8.1 per cent (30 June 2024 from an 8.3 per cent) favourable/unfavourable change in AUD against the Treasury with all other variables held constant. The change in the risk variable has been determined by reference to standard parameters provided by the Department of Finance.

Sensitivity analysis of the risk that the entity is exposed to for 2025

			Effect on	
	Risk variable	**Change in risk variable %**	**Net cost of services 2025 $'000**	**Net assets 2025 $'000**
IFI investments	Exchange rate	8.1	(238,267)	(238,267)
IFI investments	Exchange rate	(8.1)	280,043	280,043
IMF Quota	Exchange rate	8.1	(1,027,938)	(1,027,938)
IMF Quota	Exchange rate	(8.1)	1,208,168	1,208,168
IMF SDR holdings asset	Exchange rate	8.1	(764,403)	(764,403)
IMF SDR holdings asset	Exchange rate	(8.1)	898,427	898,427
IMF PRGT investment	Exchange rate	8.1	(156,402)	(156,402)
IMF PRGT investment	Exchange rate	(8.1)	183,824	183,824
IMF RST reserve account	Exchange rate	8.1	(2,377)	(2,377)
IMF RST reserve account	Exchange rate	(8.1)	2,794	2,794
IMF RST deposit account	Exchange rate	8.1	(23,773)	(23,773)
IMF RST deposit account	Exchange rate	(8.1)	27,941	27,941
Accrued interest - IMF related transactions	Exchange rate	8.1	(6,276)	(6,276)
Accrued interest - IMF related transactions	Exchange rate	(8.1)	7,376	7,376
IMF PRGT loan	Exchange rate	8.1	(49,670)	(49,670)
IMF PRGT loan	Exchange rate	(8.1)	58,379	58,379
IMF RST loan	Exchange rate	8.1	(21,540)	(21,540)
IMF RST loan	Exchange rate	(8.1)	25,316	25,316
Promissory notes	Exchange rate	8.1	5,057	5,057
Promissory notes	Exchange rate	(8.1)	(5,943)	(5,943)
IMF SDR allocation liability	Exchange rate	8.1	1,467,447	1,467,447
IMF SDR allocation liability	Exchange rate	(8.1)	(1,724,737)	(1,724,737)
IMF related money owing	Exchange rate	8.1	7,320	7,320
IMF related money owing	Exchange rate	(8.1)	(8,603)	(8,603)

Sensitivity analysis of the risk that the entity is exposed to for 2024				
			Effect on	
	Risk variable	Change in Risk variable %	Net cost of services 2024 $'000	Net assets 2024 $'000
IFI investments	Exchange rate	8.3	(233,257)	(233,257)
IFI investments	Exchange rate	(8.3)	275,371	275,371
IMF Quota	Exchange rate	8.3	(997,580)	(997,580)
IMF Quota	Exchange rate	(8.3)	1,177,693	1,177,693
IMF SDR holdings asset	Exchange rate	8.3	(769,237)	(769,237)
IMF SDR holdings asset	Exchange rate	(8.3)	908,122	908,122
IMF PRGT investment	Exchange rate	8.3	(151,783)	(151,783)
IMF PRGT investment	Exchange rate	(8.3)	179,188	179,188
IMF RST reserve account	Exchange rate	8.3	(2,307)	(2,307)
IMF RST reserve account	Exchange rate	(8.3)	2,724	2,724
IMF RST deposit account	Exchange rate	8.3	(23,071)	(23,071)
IMF RST deposit account	Exchange rate	(8.3)	27,237	27,237
Accrued interest - IMF related transactions	Exchange rate	8.3	(6,811)	(6,811)
Accrued interest - IMF related transactions	Exchange rate	(8.3)	8,041	8,041
IMF PRGT loan	Exchange rate	8.3	(41,013)	(41,013)
IMF PRGT loan	Exchange rate	(8.3)	48,418	48,418
IMF RST loan	Exchange rate	8.3	(2,152)	(2,152)
IMF RST loan	Exchange rate	(8.3)	2,540	2,540
Promissory notes	Exchange rate	8.3	5,126	5,126
Promissory notes	Exchange rate	(8.3)	(6,052)	(6,052)
IMF SDR allocation liability	Exchange rate	8.3	1,424,110	1,424,110
IMF SDR allocation liability	Exchange rate	(8.3)	(1,681,232)	(1,681,232)
IMF related money owing	Exchange rate	8.3	9,667	9,667
IMF related money owing	Exchange rate	(8.3)	(11,412)	(11,412)

Accounting Policy

Administered financial instruments

AASB 9 identifies three classifications for financial instruments - those measured at (a) amortised cost; (b) fair value through other comprehensive income (FVOCI); and (c) fair value through profit or loss (FVPL).

A financial asset shall be classified as at amortised cost if the financial asset is held within a business model to collect contractual cash flows and that the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

With the exception of dividends receivable, which is measured at fair value, financial assets at amortised cost are initially recognised at fair value and subsequently measured using the effective interest method. Financial assets at amortised cost include:

- International Monetary Fund (IMF) related monies receivable;
- Loans to the IMF under the New Arrangements to Borrow;
- Loans to the IMF under the Poverty Reduction and Growth Trust;
- Loans to the IMF under the Resilience and Sustainability Trust;
- Loans to Housing Australia;
- Loans to States and Territories;
- Loans to AEMO;

Accounting Policy - Administered financial instruments (continued)

- International assistance loans;
- GST revenue allocation receivable; and
- Accrued interest.

A financial asset shall be classified as at fair value through other comprehensive income (FVOCI) when the financial asset is held within a business model to collect contractual cash flows and to sell the financial asset. In addition, the Department of Finance has mandated that all equity instruments must be recorded as FVOCI.

Financial assets recorded at FVOCI are initially measured at cost and subsequently measured at fair value and include:
- The IMF quota and Special Drawing Right (SDR) holdings;
- Investments in the IMF PRGT and RST;
- Investments in development banks;
- Investment in the Australian Business Growth Fund; and
- Investments in Government entities.

Financial liabilities shall be classified as at amortised cost except for financial guarantee contracts.

Financial liabilities at amortised cost are initially measured at fair value and subsequently measured using the effective interest rate method. Financial liabilities at amortised cost include:
- Special Drawing Right (SDR) allocation;
- Grants payables;
- Promissory notes; and
- International Monetary Fund (IMF) related monies payable.

The contractual terms of promissory notes are non-interest bearing making the effective interest rate nil. Therefore, the measurement would be the initial value less any repayments plus or minus movements in exchange rates as a result of translation on the balance date.

The Treasury's administered financial guarantee contracts relate to the Small and Medium Enterprises recovery loan schemes. They are classified as financial liabilities at fair value through profit or loss. They are not treated as contingent liabilities, as they are regarded as financial instruments outside the scope of AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

The amounts recognised for the Small and Medium Enterprises recovery loan schemes financial guarantee contracts are the expected losses on the total loan balance discounted to reporting date for these Schemes.
The carrying amount of financial instruments is a reasonable approximation of fair value.

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7.5. Fair Value Measurement

Note 7.5A: Fair value measurement

	Fair value measurements at the end of the reporting period	
	2025	2024
	$'000	$'000
Non-financial assets[1,2]		
Buildings	19,642	20,692
Property, plant and equipment	7,596	7,795
Library	576	576
Property, plant and equipment - Assets Under Construction (AUC)	-	2,067
Buildings - AUC	-	527
Total non-financial assets	**27,814**	31,657

1. The Treasury's assets are held for operational purposes and not held for the purposes of deriving a profit. The current use of all non-financial assets is considered their highest and best use.
2. No non-financial assets were measured at fair value on a non-recurring basis as at 30 June 2025.

Accounting Policy

Comprehensive valuations are carried out once every three years. In the intervening years, an annual materiality review is undertaken to determine whether the carrying amount of the assets is materially different from the fair value. The Treasury appointed Jones Lang LaSalle (JLL) to undertake this review of all tangible property, plant and equipment assets as at 30 June 2025. The last full valuation was completed as at 30 June 2024 with the next valuation scheduled for 30 June 2027.

Accounting judgements and estimates

Where possible, asset valuations are based upon observable inputs to the extent they are available. Where this information is not available, valuation techniques rely upon unobservable inputs. The methods utilised to determine and substantiate the unobservable inputs are derived and evaluated as follows:

Replacement cost

The value of the library was determined on the basis of the average cost for items within each collection. The replacement cost has considered purchases over recent years and these have been evaluated for reasonableness against current market prices.

All Asset Classes - Physical Depreciation and Obsolescence

Assets that do not transact with enough frequency or transparency to develop objective opinions of value from observable market evidence have been measured utilising the Depreciated Replacement Cost approach. Under the Depreciated Replacement Cost approach, the estimated cost to replace the asset is calculated and then adjusted to take into account physical depreciation and obsolescence. Physical depreciation and obsolescence has been determined based on professional judgement regarding physical, economic and external obsolescence factors relevant to the asset under consideration. For all leasehold improvement assets, the consumed economic benefit / asset obsolescence deduction is determined based on the term of the associated lease.

The Treasury's policy is to recognise transfers in and out of the fair value hierarchy levels as at the end of the reporting period. There have been no transfers between level 1 and level 2 of the hierarchy during the year.

7.6. Administered - Fair Value Measurement

The following tables provide an analysis of assets and liabilities that are measured at fair value. The different levels of the fair value hierarchy are defined below.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Note 7.6A: Fair Value Measurements, Valuation Techniques and Inputs Used

Recurring fair value measurements at the end of the reporting period by hierarchy for assets and liabilities in 2025

	Fair value measurements at the end of the reporting period using			
	2025 $'000	2024 $'000	**Category (Level 1, 2 or 3)**	**Valuation technique(s) and inputs used[1]**
Financial assets:				
International financial institutions:				
Asian Infrastructure and Investment Bank	**1,127,023**	1,114,432		
International Finance Corporation	**707,227**	699,327		
Asian Development Bank	**644,097**	609,706		
International Bank for Reconstruction and Development	**522,341**	516,505		
European Bank for Reconstruction and Development	**184,282**	101,033		
Multilateral Investment Guarantee Agency	**9,467**	9,361		
Total international financial institutions	**3,194,437**	3,050,364	**3**	**Value of shares held**
Australian Government entities:				
Australian Reinsurance Pool Corporation	**772,096**	1,663,288		
Housing Australia	**2,196,412**	1,851,219		
Reserve Bank of Australia	**-**	-		
Total Australian Government entities	**2,968,508**	3,514,507	**3**	**Net assets**
Other investments:				
IMF Quota	**13,781,506**	13,045,653	**3**	**Net assets**
IMF SDR holdings	**10,248,314**	10,059,537	**3**	**Value of quota held / SDRs lent**
IMF PRGT investment	**2,096,876**	1,984,915		
IMF RST deposit account	**318,725**	301,707		
IMF RST reserve account	**31,873**	30,171		
Australian Business Growth Fund	**27,923**	25,508	**3**	**Net assets**
Total Other Investments	**26,505,217**	25,447,491		
Total financial assets	**32,668,162**	32,012,362		
Total fair value measurements	**32,668,162**	32,012,362		

1. Significant observable inputs only.

Fair value measurements

The highest and best use of Treasury's investments in Australian Government entities does not differ because the fair value is based on the net asset position of the entity.
The highest and best use of Treasury's investments in International Financial Institutions does not differ because the fair value is based on the value of shares held in the relevant institution.

Note 7.6B: Level 1 and Level 2 transfers for recurring fair value measurements

No assets were transferred between Level 1 and Level 2.

Note 7.6C: Reconciliation for recurring Level 3 fair value measurements

Recurring Level 3 fair value measurements - reconciliation for assets

	Financial assets	
	Investments	
	2025	2024
	$'000	$'000
As at 1 July	**32,012,362**	30,675,494
Total gains/(losses) recognised in other comprehensive income	**(548,212)**	1,419,421
Total gains/(losses) recognised in net cost of services		
IMF Quota foreign exchange gain/(loss)	**735,852**	(175,832)
IMF SDR holdings foreign exchange gain/(loss)	**560,258**	(135,590)
IMF PRGT investment foreign exchange gain/(loss)	**111,961**	(26,753)
IMF RST reserve account foreign exchange gain/(loss)	**1,702**	(406)
IMF RST deposit account foreign exchange gain/(loss)	**17,018**	(4,067)
International Financial Institutions (IFI) foreign exchange gain/(loss)	**72,485**	(9,929)
Share Purchases		
Increase in investments in ABGF	**4,629**	4,630
Increase in investments in Housing Australia	**-**	300,000
Increase in investments in the IFI	**71,588**	65,931
Transfers out of Level 3		
IMF SDR holdings transferred to IMF RST Loan	**(371,481)**	(100,537)
Total as at 30 June	**32,668,162**	32,012,362
Changes in unrealised gains/(losses) recognised in net cost of services for the year ended 30 June	**1,499,276**	(352,577)

8. Other Information

8.1. Current/Non-current Distinction for Assets and Liabilities

	2025 $'000	2024 $'000
Note 8.1A: Current/non-current distinction for assets and liabilities		
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	749	1,839
Trade and other receivables	139,904	121,068
Prepayments	5,806	7,042
Total no more than 12 months	**146,459**	129,949
More than 12 months		
Land and buildings	127,636	132,912
Plant and equipment	8,200	10,466
Intangibles	1,206	2,766
Prepayments	1,248	420
Total more than 12 months	**138,290**	146,564
Total assets	**284,749**	276,513
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers		
Employee benefits	10,471	6,886
Suppliers	10,239	12,097
Other payables	6,049	3,512
Leases	11,303	11,584
Employee provisions	21,741	20,949
Provision for restoration	-	182
Total no more than 12 months	**59,803**	55,210
More than 12 months		
Provisions		
Leases	110,687	112,237
Employee provisions	63,780	61,235
Provision for restoration	6,540	6,022
Total more than 12 months	**181,007**	179,494
Total liabilities	**240,810**	**234,704**

	2025 $'000	2024 $'000
Note 8.1B: Administered - Current/non-current distinction for assets and liabilities		
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents[1]	**1,410,502**	207,863
Loans and other receivables	**320,577**	1,271,305
Total no more than 12 months	**1,731,079**	1,479,168
More than 12 months		
Loans and other receivables	**3,380,525**	2,675,355
Investments	**32,668,162**	32,012,362
Total more than 12 months	**36,048,687**	34,687,717
Total assets	**37,779,766**	36,166,885
Liabilities expected to be settled in:		
No more than 12 months		
Grants	**1,968,716**	1,486,046
IMF and other payables	**634,301**	128,123
Financial guarantees	**66,250**	56,929
Provisions	**4,064,776**	1,849,303
Total no more than 12 months	**6,734,043**	3,520,401
More than 12 months		
IMF and other payables	**19,673,980**	18,623,503
Promissory notes	**9,360,635**	9,442,699
Financial guarantees	**458,007**	510,721
Provisions	**12,486,559**	8,645,231
Total more than 12 months	**41,979,181**	37,222,154
Total liabilities	**48,713,224**	40,742,555

[1] The comparative Cash and cash equivalents balance has been restated due to a prior period error, refer Overview note.

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Part 5
Appendices

Note: Under section 17AH(2) of the PGPA Rule, entities must report information required by other legislation or instruments. Part 5 contains information on specific Treasury functions to fulfill this requirement.

Methodology for the Annual Stakeholder Survey

Treasury uses an annual stakeholder survey to assess the performance of the department's policy advice, effectiveness of working relationships (performance measures 1 and 11) and administration of regulator functions (performance measure 9). An external provider was engaged to develop, conduct, and report on the annual stakeholder survey for 2024–25.

Fieldwork and data collection

The fieldwork for the stakeholder survey was conducted between May and June 2025.

The research involved quantitative and qualitative data collection. The external provider emailed survey participants an invitation and a secure unique link to access the survey. Ministers or their delegates were interviewed by senior Treasury officers. A senior member from the external provider also attended as an independent observer and note taker.

Data was collected via 4 separate and tailored surveys (covering different types of stakeholders):

- One for the 5 Treasury portfolio ministers – addressing their perceptions of Treasury's performance in providing advice (performance measure 1) and perceptions of working with the Treasury (performance measure 11)
- One for Treasury's key stakeholders from Australian Government entities and other external stakeholders – addressing their perceptions of Treasury's performance in providing advice (performance measure 1) and perceptions of working with the Treasury (performance measure 11)
- One for stakeholders of the Foreign Investment Framework (performance measure 9)
- One for stakeholders of the Payment Times Reporting Scheme (performance measure 9).

Foreign Investment Review Board (FIRB) members were provided with the option to complete a hard-copy version of the Foreign Investment Framework survey questionnaire at an allocated time during a FIRB meeting on Tuesday, 10 June 2025. A senior ORIMA Research representative attended the FIRB meeting to facilitate this process by introducing the survey and providing guidance on completion.

Sample selection

Sampling occurred through a census approach. All relevant stakeholders were invited to participate in a survey. A systematic approach was adopted to selecting relevant stakeholders, to address the risk of selection bias (adhering to Department of Finance better practice guidance), via transparent operational selection rules for Treasury's business units (set out below). The external provider also independently assessed the integrity of the proposed lists of stakeholders to be surveyed.

Stakeholder selection operational rules

Performance measure 1 – Treasury's policy advice:

- Ministerial survey: All Treasury portfolio ministers, or their representatives, were invited to participate.
- Survey of Australian Government entity stakeholders: Senior executives in other Australian Government entities who had dealt with Treasury between 1 April 2024 and 31 March 2025 (the referenced period). In-scope stakeholders included:
  - » Treasury's Senior Executive Service (SES) counterparts in the Department of Finance and the Department of the Prime Minister and Cabinet
  - » SES officers of other Australian Government entities who had dealt with Treasury at least 4 times in the referenced period.
    - A 'dealing' was defined as a number of interactions in relation to a particular collaboration activity (such as preparing a cabinet submission, preparing a round of economic forecasts). Therefore, for example, a stakeholder who only had 4 meetings with Treasury in the preparation of one cabinet submission would be defined to have dealt with Treasury only once and hence would not be in scope.

Performance measure 9 – Treasury's regulatory functions:

- Survey of key stakeholders of the Foreign Investment Framework:
  - » Investors and/or agents of regulated entities who received a decision between 1 April 2024 to 31 March 2025 and who had submitted at least 4 investment proposals over the preceding year (1 April 2024 to 31 March 2025)
  - » Investors and/or agents of regulated entities who have a Treasury client manager
  - » Members of the Law Council's Foreign Investment Committee
  - » Non-executive members of the Foreign Investment Review Board, as at 31 March 2025, who had attended a minimum of 2 monthly meetings
  - » Senior officers (Executive Level 2/equivalent and above) from Australian Government entities and senior executives from other organisations who had dealt with Treasury at least 2 times in relation to the Foreign Investment Framework between 1 April 2024 and 31 March 2025

  - In 2023–24, all stakeholders of this type who were invited to complete the survey were from Australian Government entities. There were no senior executives from other organisations invited to complete the Foreign investments Framework
  - A 'dealing' was defined as a number of interactions in relation to a particular matter/issue to do with the Foreign Investment Framework.

- Survey of key stakeholders of the Payment Times Reporting Scheme (scheme):
  - » Senior management from regulated entities, industry bodies, professional advisers identified on the regulator's stakeholder liaison list and senior officers (Executive Level 2/equivalent and above) from Australian Government entities who had dealt with Treasury at least 2 times in relation to the scheme between 1 April 2024 and 31 March 2025.
    - A 'dealing' was defined as an interaction in relation to matters regarding the scheme. This included, but was not limited to, raising specific issues with reporting, making enquiries, self-nominating for involvement or participating in stakeholder liaison groups, stakeholder engagement or consultations.
    - The 'regulator's stakeholder liaison list' consisted of representatives from regulated entities, corporate and financial sector peak bodies and professional services advisors who had self-nominated to be a part of a contact list for the Payment Times Reporting Scheme news items, updates on new resource availability, the stakeholder liaison forum dates and other relevant communications.

Performance measure 11 – Working with Treasury:

- Ministerial survey and survey of Australian Government entity stakeholders as defined in performance measure 1 – Treasury's policy advice.
- Survey of external stakeholders: Senior executive level stakeholders from organisations other than Australian Government entities who had dealt with Treasury at least 4 times between 1 April 2024 and 31 March 2025 in engagements or consultations.
  - » A 'dealing' was defined as a number of interactions in relation to a particular engagement/consultation matter (for example a particular stage of a reform process).
  - » In-scope organisations included state and territory government entities, community sector organisations, businesses, peak bodies and unions.

For all stakeholders, in the event that a targeted stakeholder was not available to participate in the survey (for example had left the organisation, was on leave), another contact who was, at most, one reporting level below the initially invited officer from the stakeholder's organisation, was to be substituted and invited to participate in the survey, subject to the nominated substitute having also dealt with Treasury as defined by the operational rules.

Performance measure calculation methodology

Weighting of survey results

Ministerial feedback questionnaire

Given the relative importance of the Treasurer as the senior Treasury minister, the survey ratings of the Treasurer (or delegate) have been weighted more highly than those of other ministers. The weighting formula has a ratio of 4:1:1:1:1, with the Treasurer's responses account for 50 per cent of the aggregate performance metrics derived from the survey, while each other 4 ministers' responses account for 12.5 per cent. Given all 5 Treasury portfolio ministers responded to the survey, the Treasurer's response has been counted as 2 responses and each of the other ministers' responses as 0.5 responses.

Survey of key stakeholders of the Foreign Investment Framework

Given the relative importance of investors and/or agents of regulated entities who have a Treasury client manager as stakeholders of the Foreign Investment Framework, and the high volume of interactions and intensity of contact with the Foreign Investment Division these stakeholders have, the survey ratings have been weighted more highly than those of other stakeholders.

The weighting formula has the effect that survey responses from investors with a Treasury client manager have 2 times the weight of other stakeholders. The performance measure derived from stakeholders of the Foreign Investment Framework (performance measure 9) has been calculated as a weighted average.

Approach to calculating policy advice Performance Measures

Policy advice refers to an output provided by Treasury to help ensure that government decisions are appropriately supported and informed. This includes briefing documents, submissions and oral briefings.

Performance measure 1 – Proportion of Treasury ministers that rate Treasury advice highly

The ministerial stakeholder questionnaire asked ministers to rate specific aspects/attributes of the policy advice that they had received from Treasury in 2024–25 via an intuitive, clear and familiar 5-point 'agreement' rating scale (where 1 = 'strongly disagree' and 5 = 'strongly agree'). These attributes were drawn from the Treasury Policy Advice Matrix and are outlined in Table 35.

Table 35: Attributes drawn from the Treasury Policy Advice Matrix

In general, Treasury's policy advice...		
1) Informed	**2) Influential**	**3) Impactful**
Was supported by relevant evidence	Was tailored to your needs	Resulted in government decisions consistent with the advice
Was supported by contemporary/up-to-date evidence	Was timely	Led to tangible outcomes
Where applicable, considered the views of relevant stakeholders and experts	Was considered in your decision-making	

The individual attribute ratings provided by ministers were aggregated (formula set out below) to derive numerical scores that indicate 'High', 'Moderate' and 'Low' performance.

Performance measure 1 – Proportion of key government entities and stakeholders that rate Treasury advice highly

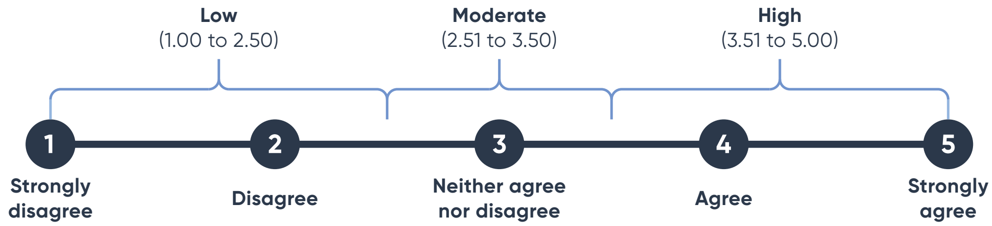
A similar approach was taken for this element of performance measure 1. The survey questionnaire asked Australian Government entity stakeholders to rate specific aspects/attributes of the policy advice that they had seen from Treasury in different areas (for example, macroeconomic policy, fiscal policy, tax policy) in 2024–25 via the 5-point 'agreement' rating scale.

For both ministers and Australian Government entity stakeholders, performance measure 1 has been calculated as follows:

- For each stakeholder respondent, the average (mean score out of 5) rating has been calculated across all questions answered that relate to:
  - the 'Informed' criterion (Average 1)
  - the 'Influential' criterion (Average 2)
  - the 'Impactful' criterion (Average 3).
- For each respondent, the average of these average ratings has been calculated (effectively giving equal weight to each criterion) (Average 4).

As illustrated on the graphic below, if Average 4 = 1.00-2.50, this has been classified as 'Low', 2.51-3.50 has been classified as 'Moderate', and 3.51-5.00 as 'High'.

Figure 15: Stakeholder survey 2024–25, average score classification



The weighted percentage of ministers rating High overall (Average 4) has been reported for the performance measure.

The unweighted percentage of Australian Government entity stakeholders rating High overall (Average 4) has been reported for the performance measure.

Approach to calculating the effectiveness of working relationships and administration of regulator functions (performance measures 9 and 11)

Stakeholders were asked to indicate the extent to which they agree or disagree with the questions on a 5-point scale: strongly disagree (1), disagree (2), neither agree nor disagree (3), agree (4) or strongly agree (5).

Performance was calculated on the average of the percentage of survey respondents who provided ratings of 4 (agree) or 5 (strongly agree) for applicable question items.

'Don't Know / Not Applicable' responses were excluded.

Advertising and market research

Treasury is required to report on all payments to advertising agencies, market research organisations, polling organisations, media advertising organisations and direct mail organisations.

During 2024–25, Treasury delivered 3 advertising campaigns. The Supporting Australians campaign informed Australians of the energy bill relief, student debt relief and the tax cuts that came into effect on 1 July 2024. The Future Made in Australia campaign aimed to increase Australians' awareness of the agenda and the benefits to them and their community. An extension of the Tax Cuts campaign was developed to inform taxpayers that the tax cuts were now in place. Initial development of a Housing campaign commenced but did not progress further in 2024–25.

Information on credit notes, cost recovery and invoices issued for campaign expenditure for advertising agencies, market research organisations and media advertising organisations is shown in Table 36 to Table 38.

Campaign compliance information is available at treasury.gov.au and in the reports on government advertising prepared by the Department of Finance and published at finance.gov.au/advertising. These Department of Finance reports provide details of campaigns for which expenditure was greater than $250,000 (including GST).

Treasury did not make any payments to polling organisations or direct mailing organisations in 2024–25.

Table 36: Advertising agencies 2024–25

Provider	Service Provided	Cost (inc. GST)
Droga5 Pty LTD	Creative services (Future Made in Australia campaign)	$3,565,463.67
Clemenger BBDO Pty Ltd	Creative services (Supporting Australians campaign)	$1,583,388.88
Clemenger BBDO Pty Ltd	Creative services (Housing campaign)	$329,919.41

Table 37: Market research organisations 2024–25

Provider	Service Provided	Cost (inc. GST)
IPSOS Pty Ltd	Developmental research services (Future Made in Australia campaign)	$859,743.53
WhereTo Pty Ltd	Developmental research services (Supporting Australians campaign)	$88,165.00
WhereTo Pty Ltd	Housing campaign	$349,777.50
Hall and Partners Pty Ltd	Evaluation research services (Tax Cuts campaign extension)	$139,769.85
Hall and Partners Pty Ltd	Evaluation research services (Future Made in Australia campaign)	$192,409.80
Hall and Partners Pty Ltd	Evaluation research services (Supporting Australians campaign)	$272,55.80

Note: Hall and Partners Pty Ltd is the whole of government campaign evaluation research agency for all Commonwealth Government advertising.

Table 38: Media advertising 2024–25

Provider	Service Provided	Cost (inc. GST)
Universal McCann Australia	Advertising services (Tax Cuts campaign extension)	$2,671,625.48
Universal McCann Australia	Advertising services (Future Made in Australia campaign)	$21,068,424.97
Universal McCann Australia	Advertising services (Supporting Australians campaign)	$9,302,219.94
Universal McCann Australia	Advertising services (recruitment)	$233,191.00

Note: Universal McCann Australia is the master media agency for all Commonwealth Government advertising.

Grants

Information on grants awarded by Treasury for 2024–25 is available on GrantConnect at grants.gov.au.

Information publication scheme

Agencies subject to the *Freedom of Information Act 1982* (FOI Act) must meet requirements as part of the Information Publication Scheme. Part II of the FOI Act requires each agency to display a plan on its website showing what information it publishes in accordance with the Information Publication Scheme. Treasury's plan is available at treasury.gov.au.

Work health and safety

Treasury recognises its responsibility and obligations as outlined in the *Work Health and Safety Act 2011*. The department is committed to creating and maintaining a safe and healthy environment for all its employees, workers and visitors.

The health and wellbeing of employees remains a priority. Treasury's wellbeing strategy, Healthy Minds: Our mental wellbeing strategy 2022–2025, has been a critical part of the prevention and management of mental health risks in our workplace. The strategy has reinforced the importance of enhancing capability, culture and programs to support our employees. Since the strategy's introduction in 2022, 90 per cent of activities have been delivered. Remaining activities have been embedded in the Strategic Workforce Plan. This allows Treasury to continue to prioritise health and safety obligations.

Treasury's Health and Safety Committee met quarterly in 2024–25. The committee has oversight of the work health and safety standards required across Treasury. There were 25 work health and safety (WHS) incidents and hazards reported in 2024–25. The majority were attributed to slips, trips, and falls. One notifiable incident was reported to Comcare, which was categorised as a dangerous incident due to a vehicle related collision. No Comcare investigations were conducted. No Comcare notices were issued in 2024–25.

Treasury has 18 health and safety representatives, 17 Workplace Harassment Contact Officers, 25 First Aid Officers and 117 Emergency Officers. During 2024–25, Treasury provided role specific training including:

- mental health first aid
- first aid
- bullying and harassment in the workplace
- emergency response
- vicarious trauma
- health and safety representative training.

Treasury proactively undertook internal inspections and reviewed policies and procedures as part of preventative measures to mitigate risks. This included annual office-based workplace inspections across all office locations. It also included the development of a notifiable incident placemat to raise awareness on how to respond appropriately to serious incidents. Treasury also participated in a Comcare proactive engagement inspection on *Consultation, Cooperation and Coordination*. The Comcare inspection resulted in no non-compliance findings and one improvement-based recommendation, which was implemented.

Treasury has invested in a range of initiatives to ensure it provides a healthy and safe workplace:

- Professional counselling and support for employees through our Employee Assistance Program. Services were available to employees online and remotely via teleconferencing and video conferencing, including a dedicated helpline service for managers and First Nations employees.
- Access to an annual influenza vaccination, employer-subsidised eyesight testing for screen-based work, lifestyle contribution initiative and workstation assessments.
- Access to wellbeing, health and safety training, such as appropriate workplace behaviours, introduction to WHS, active bystander, vicarious trauma, and compassionate foundation (suicide prevention) for the Senior Executive Service and Executive Level leaders.
- Treasury provided resilience and good mental health in the workplace training, resilience coaching, regular promotion of mental health-related events such as RU OK? Day, STEPtember, Safe Work month and World Mental Health Day.
- An early intervention program supported employees experiencing an illness or injury. This program gave employees access to valuable advice, services and financial support to assist them in remaining at, or returning to, work as soon as practicable.
- Treasury maintained breastfeeding friendly workplace accreditation, undertaking proactive steps taken to empower and value parents in the workforce.
- Access to a support program for employees living with cancer and those caring for a family member. The program provides access to digital, science-based tools, personalised coaching and educational resources to help employees gain a better understanding of diagnoses, adopt positive behavioural changes and be engaged in cancer care.

Disability reporting

Australia's Disability Strategy 2021–2031 (the Strategy) is a national framework signed by all governments in Australia. It sets out a plan for continuous improvement in the lives of people with disability in Australia.

The Strategy's vision is for an inclusive Australia that ensures people with disability can fulfil their potential as equal members of society. The Strategy outlines practical changes to assist people with disability.

In line with Australia's commitments under the United Nations *Convention on the Rights of Persons with Disabilities*, the Strategy helps protect, promote and realise the human rights of people with disability.

The Australian Public Service Disability Employment Strategy 2020–2025 aims to increase employment of people with disability across the Australian Public Service to 7 per cent by 2025. Disability reporting is included in the Australian Public Service Commission's State of the Service reports and the Australian Public Service Statistical Bulletin. These reports are available at apsc.gov.au.

Annual child safety statement of compliance

Treasury is committed to promoting and maintaining a culture of child safety and wellbeing.

In line with the Commonwealth Child Safe Framework (the Framework), Treasury undertook a child safety risk assessment for 2024–25 and determined the risk as low. The assessment determined that the identification and evaluation of risks to the safety and protection of children and young people was thorough, measures implemented to mitigate those risks were appropriate, and Treasury was compliant with the Framework's 4 requirements.

While Treasury's business activities and functions rarely involve direct interaction with children, we work to ensure departmental activities are child safe and any work undertaken ensures children's rights, needs and interests are met.

Treasury will continue to embed child safe initiatives into our culture and work practices. We will ensure that our employees remain aware of the Framework's requirements, including the National Principles for Child Safe Organisations. Employees undertaking a specific role in child-related programs or activities will participate in the necessary education and training, including undertaking Working with Vulnerable People checks and participating in child-safety training through the Australian Human Rights Commission.

Environmental performance

Treasury remains committed to the principles of ecologically sustainable development consistent with relevant Commonwealth, state and territory environmental legislation, regulations, policies and initiatives. The Treasury Environmental Management Plan sets out our environmental policies and performance action plans, to meet environmental best practice wherever practicable.

In 2024–25 we minimised our impact on the environment in the areas of energy efficiency, waste and water use through:

- maintaining LED lighting systems in all new office fit outs
- reducing paper consumption by defaulting office printers to black-and-white and two-sided printing, and supporting the use of electronic document management and collaboration as well as digital and mobile technology solutions for staff (laptops)
- using energy-saver mode for most office equipment when not in use across all office locations
- using technology such as teleconferencing and videoconferencing to facilitate meetings with interstate and overseas colleagues where appropriate
- purchasing 5-star energy rated electrical appliances (where available)
- participating in Earth Hour
- encouraging recycling by providing waste recycling stations, segregating waste into approved recycling streams (including waste to landfill, mingled waste and compost), engaging waste management providers to recycle used paper waste and secure paper materials
- establishing a fit-out and furniture recycling strategy that reuses the department's existing office fit-out infrastructure, including workstations; and sourcing redundant office fit-out and workstations from other government departments when available
- recycling toner cartridges, fluorescent light tubes and batteries
- utilising low emissions vehicles (LEV) which has increased the current vehicle fleet up to 100% LEV
- using water flow restriction controls and water efficient appliances in kitchens and bathrooms to minimise use across the Treasury building tenancy.

In 2024–25, Treasury collected 5,793 kilograms of organic waste through organic waste bins in all kitchens for food scraps, coffee grinds, tea bags and paper towels. Canberra-based waste management business Global Worming, using a process called vermicomposting, fed this organic waste to worms and recycled it into organic fertiliser reducing the greenhouse gases otherwise produced.

Commonwealth Climate Disclosure

Commonwealth Climate Disclosure is the policy for Commonwealth entities to publicly disclose their exposure to climate risks and opportunities, as well as their actions to manage them. Treasury recognises in its Corporate Plan that climate change and the net zero transition will have a significant bearing on our future economic and fiscal performance. Treasury is progressively integrating climate-related risk and opportunity management into its overall risk management process.

The Performance and Risk Committee, the independent Audit and Risk Committee and the Executive Board provide the Secretary with assurance that climate-related risks are being appropriately managed. Part 3 of this report provides an overview of Treasury's risk management and governance arrangements.

Climate risk

Treasury prepared its annual climate risk and opportunity assessment in line with the Australian Government's Approach to Climate Risk and Opportunity Management in the Public Sector 2024–26. Treasury has adopted the methodology and process detailed in the Climate Risk and Opportunity Management Program (CROMP). This includes consideration of physical and transition risk and opportunity. Physical risk relates to direct impacts of rising aggregate global temperatures. Physical risks are characterised as acute or chronic.

- Acute – risks from changes in the frequency and severity of extreme events, such as increased incidence of heat stress during heatwaves, and bushfires that may threaten infrastructure and physical and psychological safety.
- Chronic – risks from longer-term, more gradual changes in climate, such as changes in average rainfall contributing to water scarcity.

Transition risks result from the extensive policy, legal, technology and market changes arising from mitigation and adaptation to climate change and the transition to a low-carbon economy. Climate change will also generate physical and transition opportunities. For example, global market opportunities will emerge for Australian goods such as agricultural commodities and critical minerals.

The 2024–25 assessment considered current, short-term (2030) and medium-term (2050) future states of the environment. It identified climate-related risks and opportunities across the department that may impact our ability to deliver our purpose and priorities. Internal data sources, such as our enterprise risk management framework and insurance claims, were reviewed in Step 1 and Step 2 of the assessment. Treasury used the State of the Climate 2024 report and the climate scenario and transition summaries in the CROMP Organisation Application Guides to obtain climate information for Treasury's metropolitan areas of operation. While Treasury maintains an overseas presence through a small number of posted personnel, the 2024–25 assessment focused on the department's domestic operations.

Treasury managed uncertainties in climate projections by reviewing data from reputable Australian and international climate science organisations. It also managed uncertainties in how risk profiles will change in the future under different climate scenarios by assessing risks across 3 distinct emission scenarios (low, medium and high). This helped Treasury compare projected changes and understand the range of plausible outcomes. Treasury assessed the nature, likelihood and magnitude of effects of climate-related risks using the matrix in Treasury's enterprise risk management framework.

Risks to our organisation, including climate-related risks, are prioritised based on their residual risk, in accordance with Treasury's Risk Management Policy and Framework. Actions to manage climate-related risks were also informed by our Risk Management Framework. The Executive Board, through the Performance and Risk Committee, monitors and oversees Treasury's climate-related risks in accordance with our standard risk management practices.

Under section 12 of the PGPA Act, the Secretary is the accountable authority for Treasury. Under section 16, the Secretary is responsible for establishing and maintaining systems of internal control and risk oversight. This responsibility encompasses climate-related risks and related disclosures. Treasury's roles and responsibilities for oversight and administration of governance processes, controls and procedures of climate-related risks and opportunities are outlined in Table 39. Climate risk management is a specialist risk category under Treasury's revised Risk Management Framework.

Table 39: Treasury's planned governance roles for climate-related risks

Role	Risk Responsibility
Secretary	Accountable authority with responsibility for having systems of risk management in place – this includes determining risk appetite, tolerance and a positive risk culture. Deputises climate risk and opportunity management oversight to the Executive Board, which the Secretary chairs. This includes the establishment and oversight of climate-related risk assessment processes and performance targets, such as (but not limited to) the development of emissions reduction targets for inclusion in the department's Emissions Reduction Plan.
Executive Board	Principal assignee responsible for overseeing climate-related risk and opportunity management. Approves the department's climate-related strategies, targets, policies, activities and performance. Receives an annual briefing about climate-related risks and opportunities.
Performance and Risk Committee	Responsible for supporting the Executive Board to implement climate risk and opportunity management, including identification and prioritisation of these risks and opportunities. Meets regularly and can escalate risks, including climate-related risks, to the Executive Board (including Secretary). Reports to Executive Board (including the Secretary) on the progress of climate risk management implementation at least once a year, and as required, to bring urgent and/or critical risks to the attention of the Secretary.
Audit and Risk Committee	Responsible for providing independent advice to the Secretary on the appropriateness of the department's key governance arrangements, including system of risk oversight and management, and the system of internal control. This encompasses climate risk and opportunity monitoring and disclosures.
Chief Risk Officer (CRO)	Deputy Secretary responsible for overseeing the risk management framework and governance as well as advising the Secretary and Executive Board.
Enterprise Risk and Program Advisory	Responsible for maintaining the risk management policy and risk management framework, and underlying toolsets, and for leading on climate risk and opportunity work.

As required under the Commonwealth Risk Management Policy, Treasury maintains an appropriate level of capability to administer its risk management framework and manage its risks. To improve capability to manage climate-related risks, Treasury encouraged relevant staff to complete the Climate Risk and Opportunity Management Program (CROMP) training modules and the Foundations of Net Zero in Government Operations training module. Treasury assesses capability and requirements through its annual climate risk and opportunity assessment. It will make decisions about resource allocation in line with its climate risk profile, broader operating environment and government funding. This includes considering the trade-offs between climate-related risks and other government policy constraints. This information feeds into Executive Board and the Secretary's decisions on broader risk management and strategy.
For example, putting in place appropriate checks and balances to ensure any new property management activities align with the emissions reduction articulated in the department's Emissions Reduction Plan, which was approved by the Secretary.

Climate strategy

Treasury anticipates climate-related risks and opportunities will have impacts across its operating model. Effectively managing these risks over time will help maintain Treasury's reputation and influence as a central policy agency.

Current and anticipated effects of climate-related risks and opportunities on Treasury's operating model include reduced staff productivity, reduced staff wellbeing and disruptions to business continuity arising from increases to the frequency and severity of extreme weather events.

Treasury is responding to current and anticipated impacts by:

- embedding climate-related risk and opportunity management into our governance and business continuity arrangements
- strengthening our engagement and the collaboration of relevant areas within Treasury
- continuing to work with our government partners through risk reduction taskforce/working groups.

Treasury's organisational risks and opportunities, identified to meet Year 1 requirements of the Commonwealth Climate Disclosure, included the following material physical climate-related risks:

- extreme weather events impact staff health and wellbeing
- extreme weather events impact the use of departmental assets and infrastructure

These risks may negatively affect the department's:

- capacity and capability to incorporate climate-related physical and transition impacts into policy development and advice
- access to data (including for modelling) needed to incorporate climate change impacts into policy
- resilience of information technology assets and infrastructure
- ability to support staff affected by physical climate-related weather events.

These risks are concentrated in Treasury's Canberra office, where most staff are based. Treasury has not identified material transition climate-related risks that affect its operational model.

There is a material transition climate-related opportunity for Treasury to influence policy development to support the transition to net zero.

Treasury considered the effects of material climate-related risks and opportunities against current, short (2030) and medium (2050) time horizons as outlined in CROMP's Organisation Application Guide.

Climate-related metrics

Emissions are required to be calculated in line with the APS Net Zero Emissions Reporting Framework provided by Department of Finance, consistent with the whole-of-government approach as part of the APS Net Zero by 2030 policy.

Table 40 presents the greenhouse gas emissions inventory for the 2024–25 period. For the emissions calculation method, please see the Pilot Metrics and Targets Factsheet. Treasury has not deviated from this methodology.

Figures for 2024–25 include the addition of the following emission categories as required by expansion 2 of the APS Net Zero Emissions Reporting Framework:

- refrigerants (reported as scope 1)
- solid waste disposal and treatment (reported as scope 3)
- employee domestic business travel (hire car and accommodation) (reported as scope 3).

The inventory presents carbon dioxide equivalent (CO_2-e) emissions based on the best available data at the time of reporting. Amendments to data may be required in future reports.

Table 40: Treasury's greenhouse gas emissions inventory 2024–25

Emission source	Scope 1 t CO_2-e	Scope 2 t CO_2-e	Scope 3 t CO_2-e	Total t CO_2-e
Electricity (location-based approach)	n/a	381.43	26.31	**407.74**
Natural gas	0.00	n/a	0.00	**0.00**
Solid waste[(a)(b)]	0.00	n/a	0.00	**0.00**
Refrigerants[(a)(c)]	0.00	n/a	n/a	**0.00**
Fleet and other vehicles[(d)]	0.57	N/A	0.15	**0.72**
Domestic commercial flights	n/a	n/a	548.15	**548.15**
Domestic hire car[(a)(e)]	n/a	n/a	3.22	**3.22**
Domestic travel accommodation[(a)]	n/a	n/a	184.37	**184.37**
Other energy	0.00	n/a	0.00	**0.00**
Total t CO2-e	**0.57**	**381.43**	**762.19**	**1,144.19**

Note: The table above presents emissions related to electricity usage using the location-based accounting method.

CO_2-e = carbon dioxide equivalent.

Following machinery of government changes that took effect from 13 May 2025, some business functions originally in the Department of Social Services, the Department of Industry, Science and Resources, the Attorney-General's Department and the Department of Infrastructure, Transport, Regional Development, Communications and the Arts were moved to the Treasury. Emissions resulting from electricity, natural gas, solid waste, and domestic business travel for these business functions are included in the original entity's emissions reporting. It was not possible to separate emissions specific to these functions for 2024–25 emissions reporting. Further, emissions resulting from outgoing business functions that were originally in the Treasury and moved to the Department of Industry, Science and Resources, are included in Treasury's emissions reporting.

A portion of the National Capital Authority's electricity and solid waste data might be included in the emissions reporting of the Treasury. Treasury will work with the National Capital Authority to report the emissions separately in future years.

a) A portion of electricity and solid waste data was unable to be sourced and has not been included.

b) The transition of property service providers under the Whole of Australian Government arrangements during the reporting period may result in incomplete property data. Any such incomplete data and resulting changes to emissions calculations will be addressed within the Amendments Process, which is due to take place in the first half of 2026.

c) Emissions from electricity consumed by electric and plug-in hybrid vehicles has only been reported for electricity directly purchased by Treasury. Emissions associated with electricity consumption from public charging stations has not been reported for 2024–25.

d) Emissions from hire cars for 2024–25 is incomplete due to a lack of robust data. The quality of data is expected to improve over time as emissions reporting matures.

e) Australian Reinsurance Pool Corporation and Inspector-General of Taxation domestic travel arrangements are managed through the Department of Treasury under a shared services agreement. It was not possible to separate flights, hire car and accommodation specific to Australian Reinsurance Pool Corporation or Inspector-General of Taxation for emissions reporting.

Table 41 shows the total emissions for electricity applying the market-based method. This accounts for factors such as GreenPower usage, purchased large-scale generation certificates, power purchasing agreements, the renewable power percentage and the jurisdictional renewable power percentage.

The difference in carbon dioxide equivalent in location versus market-based emissions is due to the Department of the Treasury having most of its operations within the ACT, which has a jurisdictional renewable power percentage.

Table 41: Treasury's electricity greenhouse gas emissions 2024–25

Emission source	Scope 2 t CO_2-e	Scope 3 t CO_2-e	Total t CO_2-e	Electricity kWh
Location-based electricity emissions	381.43	26.31	407.74	569,962.48
Market-based electricity emissions (residual emissions)	143.00	19.42	162.42	176,539.59
Total renewable electricity consumed	**n/a**	**n/a**	**n/a**	**393,422.90**
Renewable Power Percentage[(a)]	0.00	0.00	0.00	103,704.67
Jurisdictional Renewable Power Percentage[(b) (c)]	0.00	0.00	0.00	289,718.22
GreenPower[(b)]	n/a	n/a	n/a	n/a
Large-scale generation certificates[(b)]	n/a	n/a	n/a	n/a
Behind the meter solar[(d)]	n/a	n/a	n/a	n/a
Total renewable electricity produced	**n/a**	**n/a**	**n/a**	**n/a**
Large-scale generation certificates[(b)]	n/a	n/a	n/a	n/a
Behind the meter solar[(d)]	n/a	n/a	n/a	n/a

Note: The table above presents emissions related to electricity usage using both the location-based and the market-based accounting methods.

CO_2-e = carbon dioxide equivalent.

Electricity usage is measured in kilowatt hours (kWh).

a) Listed as Mandatory renewables in 2023–24 Annual Reports. The renewable power percentage accounts for the portion of electricity used, from the grid, that falls within the Renewable Energy Target.

b) Listed as Voluntary renewables in 2023–24 Annual Reports.

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

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

Climate-related targets

The department is following the APS Net Zero by 2030 target, as per the Net Zero in Government Operations Strategy. The APS Net Zero 2030 Target Factsheet has more details about the 2030 target.

Treasury published its first Emissions Reduction Plan in August 2024. The Emissions Reduction Plan sets out Treasury's approach and commitment to reduce emissions to net zero by 2030 and includes planned and new emissions-reduction initiatives. The Executive Board signs off initiatives within the Emissions Reduction Plan.

Table 42 shows Treasury's progress towards the target between 2022–23 and 2023–24. Emissions from fleet and other vehicles reduced by 67 per cent, due to higher use of low-emission vehicles. Treasury's emissions from electricity increased by 7 per cent. During the same period, Treasury staff numbers rose by nearly 12 per cent.

Table 42: Treasury's progress towards the APS Net Zero 2030 target

APS Net Zero 2030 target emission sources	2022–23[(a)] t CO_2-e	2023–24[(a)] t CO_2-e	Percentage change since 2022–23
Total Scope 1			
Natural gas	0.000	0.000	n/a
Fleet and other vehicles	2.194	0.716	-67.37
Refrigerants	n/a	0.000	n/a
Other energy	0.000	0.000	n/a
Total Scope 2			
Electricity (market based)	200.878	215.236	7.15
Total Scope 1 and Scope 2	**203.072**	**215.952**	**6.34**

Note: The table above presents emissions related to electricity usage using the market-based accounting method.

CO_2-e = carbon dioxide equivalent.

a) Emissions reported may differ from previously published emissions due to reconciliation of natural gas and electricity data or updates to emission factors and calculation methods. See 2024–25 Net Zero in Government Operations Annual Progress Report for details regarding emission factors and calculation methods updates.

Australia and the international financial institutions

Program 1.2: Payments to international financial institutions (Table 2), outlines various payments made by Treasury to the:

- Asian Development Bank
- Asian Infrastructure Investment Bank
- European Bank for Reconstruction and Development
- International Monetary Fund (IMF)
- World Bank.

The following legislation requires further reporting on the IMF and the World Bank for 2024–25:

- Section 10 of the *International Monetary Agreements Act 1947* requires reporting on the operations of the Act and of the operations, insofar as they relate to Australia, of the Articles of Agreement of the IMF and the International Bank for Reconstruction and Development during each financial year.
- Section 7 of the *International Bank for Reconstruction and Development (General Capital Increase) Act 1989* requires reporting on the operations of the Act during each financial year.

Treasury is responsible for managing the Australian Government's shareholdings with the international financial institutions. The Department of Foreign Affairs and Trade (DFAT) has further interactions relating to the government's aid program (see DFAT annual report for information).

The IMF and the World Bank publish annual reports on their operations and provide information at imf.org and worldbank.org.

Australia and the International Monetary Fund

Mandate

The purposes of the IMF (set out in Article I of its Articles of Agreement) are to:

- promote international monetary cooperation
- facilitate the expansion and balanced growth of trade, contributing to high levels of employment and real income
- promote exchange rate stability and avoid competitive devaluation
- assist in the establishment of a multilateral system of payments and in the elimination of foreign exchange restrictions that hamper the growth of world trade
- make resources available to members to reduce the costs of balance of payments adjustments.

Australia's representation at the International Monetary Fund

Australia interacts with the International Monetary Fund through:

- the International Monetary Fund Board of Governors
- the International Monetary and Financial Committee
- the International Monetary Fund Executive Board
- the International Monetary Fund's Article IV consultation on Australia's economic developments and policy.

Board of Governors

The Board of Governors is the highest authority within the IMF. It consists of one governor and one alternate governor for each of the 191 member countries. The Treasurer represents Australia on the Board of Governors. The Secretary to the Treasury is Australia's Alternate Governor. Governors' votes on IMF resolutions during 2024–25 are noted in Table 43.

Table 43: Australian Governor's votes on International Monetary Fund 2024–25 resolutions

Resolution title	Date	Australian Governor's vote
Regulations for the Conduct of the 2024 Regular Election of Executive Directors	15 July 2024	Approved
Direct Remuneration of Executive Directors and their Alternates	23 August 2024	Abstained
2024 Regular Election of Executive Directors	25 October 2024	Approved
Annual Meetings of the Boards of Governors in 2027 and 2028– Proposed Dates and Venues	27 January 2025	Approved

International Monetary and Financial Committee

The International Monetary and Financial Committee advises the Board of Governors on the functioning and performance of the international monetary and financial system but does not have a decision-making role.

International Monetary Fund Executive Board, Executive Director and constituency office

The IMF Executive Board conducts the day-to-day business of the IMF and determines matters of policy under the overall authority of the Board of Governors.

Australia belongs to a constituency which, in 2024–25 included Kiribati, Republic of Korea, Marshall Islands, Federated States of Micronesia, Mongolia, Republic of Nauru, New Zealand, Palau, Papua New Guinea, Samoa, Seychelles, Solomon Islands, Tuvalu and Vanuatu.

At 30 June 2025, Australia held around 1.33 per cent of the total voting power at the IMF. The constituency, as a whole, held around 3.78 per cent.

By agreement between members, the staffing of Australia's constituency office rotates among constituency members. At 30 June 2025, Mr Seong-Wook Kim of the Republic of Korea held the constituency's Executive Director position.

Australia's Article IV consultation

In accordance with Article IV of its Articles of Agreement, the IMF conducts regular consultations with the authorities of member countries on economic policies and conditions. In preparation for the Article IV consultations, in July 2024 the IMF conducted a staff visit including consultation with stakeholders from across government and the private sector. The IMF held its Article IV consultation with Australia in person from 18 September to 3 October 2024. The 2025 Article IV consultation is scheduled for November 2025.

Australia's quota in the International Monetary Fund and financial transactions

Australia's shareholding in the International Monetary Fund

A member's allocated shareholding in the IMF is known as its 'quota', which broadly reflects its weight in the global economy.

Australia's quota at 30 June 2025 was 6,572.4 million in Special Drawing Rights (equivalent to approximately $13,782 million). Part of Australia's quota is held in reserve by the IMF in Special Drawing Rights and gold. Part is held in Australia by the Reserve Bank of Australia in a combination of non-interest-bearing promissory notes and cash amounts in Australian dollars.

As part of the IMF's Sixteenth General Review of Quotas, the Australian Government has agreed to approve a 50 per cent increase to the IMF quota. Under the agreement, Australia's quota will increase to 9.9 billion in Special Drawing Rights (approximately $20.8 billion). The timing of the quota increase is uncertain. The IMF Executive Board approved an extension of the period to consent to 15 November 2025, subject to conditions including consent by members representing 85 per cent of existing quota. When the IMF quota increase is implemented, Australia's contribution will be largely offset by reductions in Australia's other IMF commitments.

Australia's financial transactions with the International Monetary Fund

Australia conducts financial transactions to manage its obligations with the IMF. All transactions in 2024–25 were completed in a timely and efficient manner. They are described in the following sections on a cash basis.

Special Drawing Right charges, interest and assessment fee

The Special Drawing Right is an international reserve asset created by the IMF to supplement the official reserves of member countries. Its value is based on a basket of 5 international currencies (the US dollar, the Japanese yen, the British pound sterling, the Chinese renminbi and the euro).

Australia's cumulative allocation at 30 June 2025 was 9.38 billion in Special Drawing Rights, while our holdings were around 9.70 billion in Special Drawing Rights. The Australian Government and the Reserve Bank of Australia each hold a portion of Australia's Special Drawing Right holdings, with the Australian Government owning 4.89 billion in Special Drawing Rights and the Reserve Bank of Australia owning 4.81 billion in Special Drawing Rights at 30 June 2025. The Reserve Bank of Australia's holdings were sold to it by the Australian Government in exchange for Australian dollars.

The Australian Government is solely responsible for the cumulative allocation liability, which matches the cumulative allocation.

The IMF levies charges on the Special Drawing Rights that have been allocated to each member. It pays interest on the Special Drawing Rights held by each member. In 2024–25, the Australian Government paid charges of 331.33 million in Special Drawing Rights (approximately $677.59 million) on Australia's cumulative allocation. During this period Australia received a total of 347.47 million in Special Drawing Rights (approximately $710.58 million) in interest from the IMF on Australia's Special Drawing Right holdings. Of this interest, the Australian Government received 177.01 million in Special Drawing Rights ($361.95 million) and the Reserve Bank of Australia received 170.46 million in Special Drawing Rights (approximately $348.63 million).

The IMF levies an annual assessment fee to cover the cost of operating its Special Drawing Right department. This is determined according to participants' net cumulative Special Drawing Right allocations. Australia's annual assessment fee for the IMF's financial year ending 30 April 2025 was 43,789 in Special Drawing Rights (approximately $92,285).

Remuneration

Remuneration is interest earned on quota resources held by the IMF, excluding gold. In 2024–25 Australia received remuneration of 52.37 million in Special Drawing Rights (approximately $107.04 million).

Table 44: Transactions with the International Monetary Fund in 2024–25 (cash basis)

	Amount in Special Drawing Rights (SDRs)	Amount in A$
Total interest received on Australia's Special Drawing Right holdings	347,474,356	710,583,560
Total remuneration received for Australian holdings at the International Monetary Fund	52,370,860	107,036,072
Total charges paid on Australia's Special Drawing Right allocation	331,332,534	677,590,274
Annual Assessment Fee paid to Special Drawing Right department	43,789	92,285
Maintenance of value transaction for 2022–23 payment received in August 2024	83,588,395	

Note: Interest on Special Drawing Right holdings are shared proportionally between the Reserve Bank of Australia and Treasury. These transactions with the IMF are denominated in special drawing rights. Australian dollar equivalents use the exchange rate at 30 June 2025.

Maintenance of value

The portion of Australia's IMF quota held in Australian dollars is subject to valuation changes when expressed in Special Drawing Rights. This is because the exchange rate between the Australian dollar and the Special Drawing Right fluctuates throughout the year.

Under the IMF Articles of Agreement, members are required to maintain the Special Drawing Right value of their quota through a 'maintenance of value' adjustment (that is, a payment or receipt as necessary) following the close of the IMF's financial year on 30 April 2025.

For the IMF's 2023–24 financial year, the Australian dollar appreciated against the Special Drawing Right. As a result, the 2023–24 maintenance of value adjustment involved a payment from the IMF to Australia of around $83.59 million, with settlement made in August 2024.

For the IMF's 2024–25 financial year, the Australian dollar depreciated against the Special Drawing Right. As a result, the 2024–25 maintenance of value adjustment will involve a payment from Australia to the IMF of around $478.07 million. Payment for the 2024–25 maintenance of value adjustment was scheduled to occur in July 2025.

Lending-related transactions and Australia's reserve position in the International Monetary Fund

The IMF manages its lending of quota resources through the Financial Transactions Plan, which allocates the financing of lending transactions among members. Only IMF members with sufficiently strong balance of payments and reserve positions – such as Australia – are selected for use in the Financial Transactions Plan. Table 45 provides a summary of transactions under the Financial Transactions Plan and the resulting reserve position at the IMF.

Table 45: Australia's reserve tranche position in the International Monetary Fund 2024–25

Description	Debit (SDRs)	Debit (A$)	Credit (SDRs)	Credit (A$)
Reserve tranche position as at 30 June 2024			1,731,943,671	3,631,670,520
Total Financial Transactions Plan (FTP) payments			206,200,000	432,375,760
Total FTP receipts	229,549,499	481,336,756		
Reserve tranche position as at 30 June 2025			1,708,594,172	3,582,709,524

Note: Australia's reserve tranche position is denominated in Special Drawing Rights. Australian dollar equivalents use the exchange rate at 30 June 2025.

Financial Transactions Plan transactions (and any transfers for administrative purposes) directly impact on Australia's reserve position at the IMF. In 2024–25, the amount of Australia's Special Drawing Right reserves held by the IMF remained around 1.71 billion.

Through the New Arrangements to Borrow, Australia and 39 other member countries have committed to lend additional resources to the IMF. The arrangement constitutes a second line of funding defence to supplement IMF resources to forestall or cope with an impairment of the international monetary system. New Arrangements to Borrow is used in circumstances in which the IMF needs to supplement its quota resources for lending purposes.

Australia has made a line of credit available to the IMF under its New Arrangements to Borrow since 1998. As at 30 June 2025, the value of Australia's New Arrangements to Borrow credit arrangement is 4.4 billion in Special Drawing Rights (approximately $9.2 billion).

On 19 July 2024, a renewal of the New Arrangements to Borrow was adopted by a decision of the IMF's Executive Board. The government is undertaking the relevant process under the *International Monetary Agreements Act 1947* to enable Australia to carry out its obligations. On 25 March 2025, a legislative instrument was tabled to give notice of the renewal. The New Arrangements to Borrow is not currently active or being called upon.

Bilateral Borrowing Agreements provide a third line of funding defence to supplement IMF resources. Australia has also made available 2.0 billion in Special Drawing Rights (approximately $4.2 billion) through a Bilateral Borrowing Arrangement. On 20 November 2024, the Australian Government finalised a further extension of the Agreement through to 31 December 2027.

Australia entered into agreements with the IMF to lend a portion of our Special Drawing Right holdings to the Poverty Reduction and Growth Trust (Table 46) on 23 October 2020 and 7 October 2022 and to lend Special Drawing Right holdings to the pooled Investment on 7 October 2022. The Poverty Reduction and Growth Trust provides concessional financial support to help low-income countries to achieve, maintain or restore a stable and sustainable macroeconomic position consistent with strong and durable poverty reduction and growth. The Poverty Reduction and Growth Trust Pooled Investments will provide subsidy resources of 82 million in Special Drawing Rights.

Table 46: Australia's Poverty Reduction and Growth Trust transactions in 2024–25

Description	Debit (SDRs)	Debit (A$)	Credit (SDRs)	Credit (A$)
Poverty Reduction and Growth Trust Loan Account as at 30 June 2024			260,547,714	546,336,159
Total loans (payments)			57,030,030	119,584,882
Total receipts (repayments)	0	0		
Poverty Reduction and Growth Trust Loan Account as at 30 June 2025			317,577,744	665,921,040

Note: Poverty Reduction and Growth Trust loans are denominated in Special Drawing Rights. Australian dollar equivalents use the exchange rate at 30 June 2025.

The Australian Government earns interest on any funds lent or contributed under the Poverty Reduction and Growth Trust. In 2024–25, the Australian Government received interest payments on its Poverty Reduction and Growth Trust loans of 9.30 million in Special Drawing Rights (approximately $19.5 million) and 35.31 million in Special Drawing Rights (approximately $72.22 million) on the Poverty Reduction and Growth Trust Pooled Investment. Interest is calculated using the Special Drawing Right interest rate, accrued daily and paid quarterly. The Treasurer consented to a minor administrative variation of the terms of the Poverty Reduction and Growth Trust investment agreement, transferring the full balance of Australia's investment for the benefit of the IMF's Subsidy Reserve Account to the IMF's newly established Long-Term Investment Account.

Australia entered into an agreement with the IMF to lend a portion of its Special Drawing Right holdings to the IMF's Resilience and Sustainability Trust on 7 October 2022. The Resilience and Sustainability Trust provides affordable long-term financing to help low-income countries, small states and vulnerable middle-income countries build economic resilience and sustainability to address the risks stemming from climate change and pandemics.

Table 47: Australia's Resilience and Sustainability Trust transactions in 2024–25

Description	Debit (SDRs)	Debit (A$)	Credit (SDRs)	Credit (A$)
Resilience and Sustainability Trust Loan Account as at 30 June 2024			14,175,000	29,723,212
Total loans (payments)			123,543,750	259,055,882
Total receipts (repayments)	0	0		
Resilience and Sustainability Trust Loan Account as at 30 June 2025			137,718,750	288,779,094

Note: Resilience and Sustainability Trust loans are denominated in special drawing rights. Australian dollar equivalents use the exchange rate at 30 June 2025.

The Australian Government earns interest on any funds lent to the Resilience and Sustainability Trust Loan Account or deposited in the Resilience and Sustainability Trust Deposit Account. In 2024–25, the Australian Government received interest payments on its Resilience and Sustainability Trust loans of 2,364,524 in Special Drawing Rights (approximately $4.86 million).

As part of our Resilience and Sustainability Trust agreement, Australia also contributes to the Resilience and Sustainability Trust Deposit Account and Reserve Account. These contributions support the loan contribution by enabling the IMF to build sufficient reserves over time to manage risks associated with Resilience and Sustainability Trust lending. In 2024–25, the Australian Government received interest payments on its Resilience and Sustainability Trust Deposit Account deposit of 5.37 million in Special Drawing Rights (approximately $10.98 million). Contributing to the Resilience and Sustainability Trust Reserve Account will not generate interest, but upon liquidation of the Trust, Australia will receive its share of the Resilience and Sustainability Trust Reserve Account.

Australia's participation in International Monetary Fund Voluntary Trading Arrangements

Australia participates in the IMF's Voluntary Trading Arrangements for Special Drawing Rights. These arrangements, involving around 40 IMF member countries, support the liquidity and functioning of the Special Drawing Right market by enabling Special Drawing Right exchange for freely usable currencies.

Under this framework, Australia agrees to buy and sell Special Drawing Rights within set limits, helping support the Special Drawing Rights' role as a key international reserve asset. The Reserve Bank of Australia manages these transactions using its own holdings of Special Drawing Rights and foreign exchange, with policy oversight by Treasury. Australia's participation reflects its commitment under the IMF's Articles of Agreement to support the effective operation of the Special Drawing Rights system. In 2024–25, Australia's purchases and sales of Special Drawing Rights through IMF Voluntary Trading Arrangements totalled 176.1 million in Special Drawing Rights.

Loans under the *International Monetary Agreements Act 1947* in 2024–25

The IMA Act provides that Australia may enter into an agreement for a loan to another country in some circumstances. First, the loan needs to provide financial assistance in support of an IMF program to another country. Second, the Treasurer needs to be satisfied that at least one other government or organisation has, or will be, providing similar assistance.

On 12 December 2024, Australia formally entered into a loan agreement with Papua New Guinea in the amount of $570 million to support its estimated 2024 budget financing shortfall and support the delivery of reform actions under Papua New Guinea's IMF Extended Credit Facility and Extended Fund Facility Program. The loan was provided at the Australian Government's cost of borrowing and involves no cost to the Australian taxpayer.

Australia and the World Bank

Australia's shareholding and relations with the World Bank

Mandate

The World Bank is a multilateral development bank charged with providing financial services, through advice, direct loans, grants, and brokerage to support stable and inclusive growth within countries and across and between regions. It works closely with the IMF, which is responsible for ensuring the stability of the international monetary system.

The World Bank's mission is to end extreme poverty and boost shared prosperity on a liveable planet.

World Bank strategic priorities

The World Bank collaborates with multilateral institutions, sovereign nations and the private sector to mobilise financing and leverage knowledge to ensure assistance is harmonised and effective. The World Bank is implementing a strategy to substantially increase the volume of private sector funds invested in developing and emerging market economies.

Institutions of the World Bank

- International Bank for Reconstruction and Development
- International Development Association
- International Finance Corporation
- Multilateral Investment Guarantee Agency
- International Centre for Settlement of Investment Disputes.

The World Bank's 2 main institutions are the International Bank for Reconstruction and Development, and the International Development Association. The International Bank for Reconstruction and Development lends to governments of middle-income and credit-worthy low-income countries. The International Development Association provides grants and interest-free or concessional loans to governments of poorer countries.

The International Finance Corporation is the largest global development institution focused exclusively on the private sector. It helps developing countries achieve sustainable growth by financing – in association with private investors – the establishment, improvement and expansion of productive private enterprises, which will contribute to the development of its member countries.

The Multilateral Investment Guarantee Agency promotes foreign direct investment into developing countries by offering political risk insurance (guarantees) to investors and lenders.

The International Centre for Settlement of Investment Disputes provides international facilities for conciliation and arbitration of investment disputes.

Australia's membership of the International Bank for Reconstruction and Development, International Finance Corporation, and Multilateral Investment Guarantee Agency requires the Australian Government to hold shares in these institutions. Australia's shareholdings at 30 June 2025 and Australia's shareholding and voting power are indicated in Table 48 and Table 49.

Table 48: Australian shareholdings at the World Bank at 30 June 2025

	International Bank for Reconstruction and Development (IBRD)	International Finance Corporation (IFC)	Multilateral Investment Guarantee Agency (MIGA)
Shares	39,054	463,234	3,019
Price per share (US$)	120,635	1,000	10,820
Value of total capital (US$ millions)	4,711.28	463.23	32.67
Value of paid-in capital (US$ millions)	342.13	463.23	6.20
Value of callable capital (US$ millions)	4,369.15	0.00	26.46
Value of total capital (A$ millions)	7,192.79	707.23	49.87

Table 49: Australia's shareholding and voting power in the World Bank

	IBRD	IDA	IFC	MIGA
Shareholding (per cent of total)	1.44	--	1.93	1.70
Voting power (per cent of total)	1.39	1.24	1.85	1.47

Note: Shareholdings and voting power at 30 June 2025. Shareholding and voting power differ in International Bank for Reconstruction and Development, International Finance Corporation and Multilateral Investment Guarantee Agency due to the allocation of basic votes across countries. At the International Centre for Settlement of Investment Disputes, the Administrative Council comprises a representative from each contracting state with equal voting power.

Each arm of the World Bank has its own arrangement for allocating votes and shares among members. The Board of Governors and Executive Directors continue to work towards ensuring the World Bank has adequate resources to complete its mission and that its shareholding reflects changes in the world economy.

In addition to the shareholdings managed by Treasury, DFAT contributes to replenishments to International Development Association and funds for joint activities through Australia's country, regional and global programs. DFAT's annual report provides information on Australia's aid program.

Australia's cooperation with the World Bank

Australia is involved in World Bank strategy and supports efforts to strengthen the World Bank's governance and optimise its effectiveness. Membership enables Australia to pursue economic development outcomes for our region as well as promote the benefits of an open global economy.

Australia is a strong voice at the World Bank and in G20 forums. Australia has called for optimal use of the World Bank's balance sheet and the 'crowding in' of private sector finances.

Australia's representation at the World Bank

Board of Governors

The highest decision-making body of the World Bank is the Board of Governors, comprising one governor from each of the 189 member countries. In 2024–25, Australia's Governor was the Treasurer, and the Alternate Governor was the Assistant Treasurer. Table 50 outlines the Australian Governor's votes for the 2024–25 financial year.

Table 50: Australian Governor's votes on World Bank resolutions in 2024–25

Institution	Resolution title	Date	Australian Governor's vote
IBRD	Rules for the 2024 Regular Election of Executive Directors	30 July 2024	Approved
MIGA	Rules for the 2024 Regular Election of Directors	30 July 2024	Approved
IBRD	Direct Remuneration of Executive Directors and their Alternates	23 August 2024	Abstained from voting
IBRD	Transfer from Surplus to Replenish the Trust Fund for Gaza and the West Bank	9 September 2024	Approved
IBRD	Transfer from IBRD's Surplus to Replenish the Trust Fund for Gaza and the West Bank	18 September 2024	Approved
IBRD	Transfer from Surplus to the IBRD Surplus-Funded Liveable Planet Fund	18 September 2024	Approved
IBRD	Allocation of FY24 Net Income	18 September 2024	Approved
IFC	Use of IFC's FY24 Net Income – Retained Earnings and Designation of Retained Earnings	18 December 2024	Approved
IBRD	Transfer from Surplus to Fund the Grant Facility for Project Preparation	17 January 2025	Approved
IBRD	Forthcoming Annual Meetings of the Board of Governors – Proposed dates for the 2027 and 2028 Annual Meetings	27 January 2025	Approved
IDA	Additions to IDA Resources – Twenty-First Replenishment	15 April 2025	Approved

Executive Director and Constituency Office

The World Bank's Executive Boards (International Bank for Reconstruction and Development, International Development Agency, International Finance Corporation, and Multilateral Investment Guarantee Agency) conduct the day-to-day business of the World Bank and determine matters of policy under the overall authority of the Board of Governors.

Australia belongs to a constituency of countries from the Asia-Pacific region that includes Cambodia, Kiribati, Republic of Korea, Marshall Islands, Federated States of Micronesia, Mongolia, Nauru, New Zealand, Palau, Papua New Guinea, Samoa, Solomon Islands, Tuvalu, and Vanuatu.

One Executive Director represents the constituency on the Board of Executive Directors.

By agreement, Australia and Republic of Korea rotate this role every 2 years. At 30 June 2025, Mr Robert Bruce Nicholl of Australia held the constituency's Executive Director position.

Foreign investment

Treasury's Foreign Investment Division plays an important regulatory role. It enables foreign investment that is vital to Australia's prosperity. It safeguards Australia's national interest and security. Foreign investment helps drive economic growth and improves productivity, competition and innovation.

Foreign investment policy developments

Throughout 2024–25, Treasury continued to implement reforms to policy and practice announced by the government on 1 May 2024 to deliver a stronger, more streamlined and more transparent approach to foreign investment. This has included streamlining the assessment of low-risk investment proposals, strengthening scrutiny of high-risk investment proposals, enhancing compliance and enforcement activities, and continuing to enhance engagement with stakeholders.

On 16 February 2025, the government announced a temporary 2-year ban – effective from 1 April 2025 – on foreign persons (including temporary residents and foreign-owned companies) purchasing established dwellings in Australia, with limited exceptions. The government also announced an audit program and enhanced compliance activities to target land banking by foreign investors. The 2025–26 Budget included additional funding for Treasury and the Australian Taxation Office (ATO) to support delivery.

Treasury also supported the government to implement the interfunding exemption announced in the 2023–24 Budget. Interfunding transactions are now exempt from mandatory notification and reporting following amendments to the Foreign Acquisitions and Takeovers Regulation 2015, reducing regulatory burden and costs for institutional investors.

The launch of a new online portal in May 2025 marked the completion of the Foreign Investment Digital Transformation program. Treasury will continue to refine and enhance the system, guided by user feedback and stakeholder experience. The portal is a component of broader reforms to streamline and strengthen Australia's foreign investment framework.

Foreign investment framework and regulation

The foreign investment framework ensures investments are not contrary to Australia's national interest, balancing the need to attract investment with maintaining public confidence.

The framework is governed by the *Foreign Acquisitions and Takeovers Act 1975*, the *Foreign Acquisitions and Takeovers Fees Impositions Act 2015,* and associated regulations. Administration of the legislative framework is set out in Australia's Foreign Investment Policy and supporting Guidance Notes.

Under the *Foreign Acquisitions and Takeovers Act 1975*, the Treasurer is responsible for Australia's foreign investment policy and the foreign investment framework. Decision-making delegations exist to allow Treasury portfolio ministers, and Treasury and ATO officials to act on the Treasurer's behalf.

Treasury is responsible for the foreign investment policy framework and administers the framework in relation to business, agricultural land and commercial land proposals. The ATO administers the framework in relation to residential real estate proposals, is responsible for the Register of Foreign Ownership of Australian Assets and administers vacancy fees for foreign-owned residential properties.

Review of foreign investment proposals

Table 51 and Table 52 provide an overview of the approved investment proposals during the reporting period. There were 1,362 commercial investment proposals approved in 2024–25 (Table 51). There were 131 commercial investment proposals withdrawn in 2024–25. The value of approved commercial investment proposals was $251.5 billion (Table 52). The ATO approved 3,922 residential real estate proposals in 2024–25.

Table 51: Number of investment proposals 2022–23 to 2024–25

	Commercial			Residential real estate		
	2022–23	2023–24	2024–25	2022–23	2023–24	2024–25
Approved with conditions	547	476	443	4,768	4,042	2,692
Approved without conditions	767	755	919	1,808	1,539	1,230
Total approved	1,314	1,231	1,362	6,576	5,581	3,922
Withdrawn	149	246	131	74	139	94
Prohibition orders	1	1	0	0	0	0
Disposal orders	0	5	0	0	0	0

Note: Residential real estate figures do not include property developer New Dwelling Exemption Certificate sales.

Variations from previously published statistics are due to the reconciliation processes.

Proposals include Exemption Certificates, which grant investors approval to make acquisitions over a defined period. These may have a specified financial limit or no financial cap. In the 2024–25 financial year, the approvals include 3 Passive Foreign Government Investor Exemption Certificates and 3 Exemption Certificates without a financial limit. The majority of Exemption Certificates are given for a duration longer than one year. As a result, the associated acquisitions take place over a number of years and not necessarily within the same financial year as when the Exemption Certificate was given.

Table 52: Value of investment proposals approved ($ billion) 2022–23 to 2024–25

	Commercial			Residential real estate		
	2022–23	2023–24	2024–25	2022–23	2023–24	2024–25
Approved with conditions	132.6	133.8	198.2	6.1	4.8	3.5
Approved without conditions	40.5	53.3	53.3	1.8	1.8	1.4
Total	**173.1**	**187.0**	**251.5**	**7.9**	**6.6**	**4.9**

Note: Anomalous values or values that could identify specific transactions have been removed. The ATO assessed some commercial applications received before December 2022.

Variations from previously published statistics are due to the reconciliation processes.

Proposals include Exemption Certificates, which grant investors approval to make acquisitions over a defined period. These may have a specified financial limit or no financial cap. In the 2024–25 financial year, the approvals include 3 Passive Foreign Government Investor Exemption Certificates and 3 Exemption Certificates without a financial limit. The majority of Exemption Certificates are given for a duration longer than one year. As a result, the associated acquisitions take place over a number of years and not necessarily within the same financial year as when the Exemption Certificate was given.

Approved investment proposals by investment source and industry sector

In 2024–25, the United States was the largest source country for commercial investment proposals by number and value ($122.3 billion from 523 proposals). The next 4 largest source countries by value were Japan ($15 billion), Canada ($12.5 billion), Singapore ($11.2 billion) and Saudi Arabia ($9.1 billion).

Table 53: Top 10 sources of investment by value of approved commercial investment proposals 2022–23 to 2024–25

Country	Number			Value ($ billion)		
	2022–23	2023–24	2024–25	2022–23	2023–24	2024–25
United States	604	504	523	34.7	65.7	122.3
Japan	138	114	155	14.0	20.0	15.0
Canada	342	316	297	14.4	6.3	12.5
Singapore	237	265	274	14.4	9.4	11.2
Saudi Arabia	77	60	58	1.2	3.9	9.1
South Korea	77	107	103	6.6	1.0	7.4
United Kingdom	187	176	203	6.6	2.9	5.9
South Africa	30	20	35	1.3	0.5	4.5
Germany	84	87	97	2.0	6.4	4.4
United Arab Emirates	129	158	161	2.9	4.9	3.8

Note: This table is sorted by the value of approved proposals in the 2024–25 financial year. Proposals involving more than one source country are counted against each source country.

Variations from previously published statistics are due to the reconciliation processes.

In 2024–25, China was the largest source of investment for approved residential real estate investment proposals by number and value ($1.4 billion from 1,355 proposals). The next 4 largest sources of residential investment by value were Taiwan ($0.5 billion), Vietnam ($0.3 billion), Hong Kong special administrative region ($0.3 billion) and Indonesia ($0.2 billion).

Table 54: Top 10 sources of investment by value of approved residential real estate proposals 2022–23 to 2024–25

Country	Number			Value ($ billion)		
	2022–23	2023–24	2024–25	2022–23	2023–24	2024–25
China	2,601	1,998	1,355	3.4	2.6	1.4
Taiwan	330	395	463	0.3	0.4	0.5
Vietnam	423	363	383	0.4	0.4	0.3
Hong Kong special administrative region	650	409	284	0.6	0.4	0.3
Indonesia	190	194	234	0.2	0.2	0.2
India	451	550	509	0.2	0.4	0.2
Singapore	316	268	254	0.3	0.2	0.1
United Kingdom	226	197	192	0.2	0.2	0.1
Nepal	281	321	286	0.2	0.3	0.1
Malaysia	215	145	201	0.2	0.1	0.1

Note: This table is sorted by the value of approved proposals in the 2024–25 financial year. Variations from previously published statistics are due to reconciliation processes.

The 2 largest target sectors for proposed investment for 2024–25 by value were Services with a total value of $112.6 billion, and Commercial Real Estate, with a total value of $54 billion. The third largest sector was Finance & Insurance ($33.5 billion).

Table 55: Number and value of approved investment proposals by industry sector 2022–23 to 2024–25

	Number			Value ($ billion)		
	2022–23	2023–24	2024–25	2022–23	2023–24	2024–25
Services	389	341	372	43.9	54.9	112.6
Commercial Real Estate	423	464	480	50.1	35.8	54.0
Finance & Insurance	80	82	76	32.6	21.6	33.5
Mineral exploration & development	126	130	169	13.2	54.9	31.5
Manufacturing, Electricity & Gas	169	137	161	24.8	14.5	13.0
Agriculture, Forestry & Fishing	204	134	185	8.5	5.3	7.1
Residential Real Estate	6,576	5,581	3,922	7.9	6.6	4.9

Note: This table is sorted by the value of approved proposals in the 2024–25 financial year.
Variations from previously published statistics are due to the reconciliation processes.

Median processing times

Treasury's median processing time for approved commercial investment proposals was 33 days in 2024–25. This is lower than the median processing time of 41 days in 2023–24, and 41 days in 2022–23.

The government announced on 1 May 2024 that Treasury will adopt a new performance target of processing 50 per cent of investment proposals within the 30-day statutory decision period, from 1 January 2025. Treasury adopted this new target from 1 January 2025 and the 2024–25 financial year data in Table 56 and Figure 16 present progress against this target.

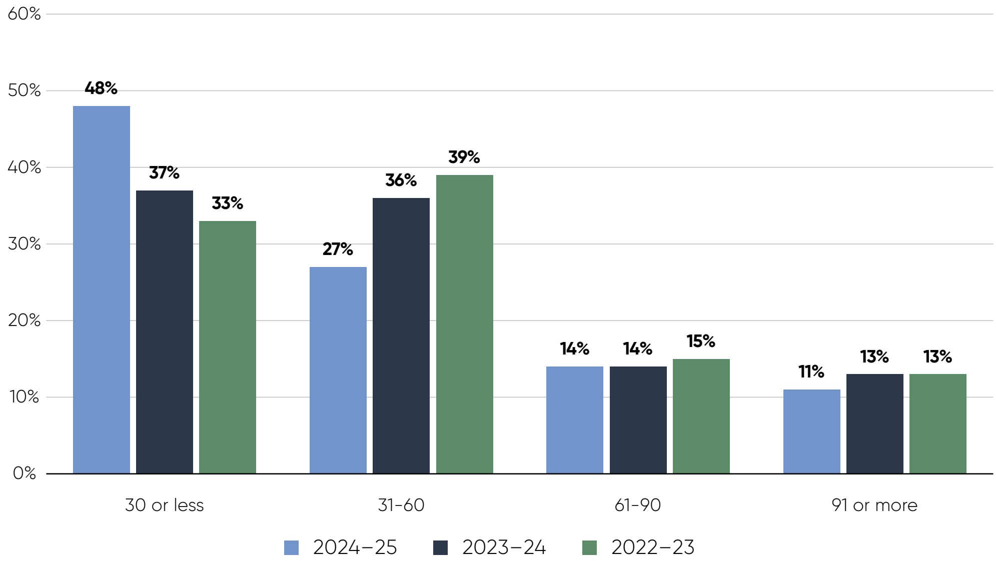
Table 56: Median processing times for decided commercial investment proposals 2022–23 to 2024–25

2022–23	2023–24	2024–25
41 days	41 days	33 days

Note: Treasury updated its processing time methodology to only capture decided proposals subject to the statutory time period in the *Foreign Acquisitions and Takeovers Act 1975* and excludes administrative approvals.
Variations from previously published statistics are due to the reconciliation processes.

In 2024–25, 48 per cent of cases were processed in 30 days or less, compared to 37 per cent in 2023–24 and 33 per cent in 2022–23.

Figure 16: Decided investment proposal processing times (number of days) 2022–23 to 2024–25



Note: Treasury updated its processing time methodology to capture only decided proposals subject to the statutory time period in the *Foreign Acquisitions and Takeovers Act 1975* and exclude administrative approvals.

Variations from previously published statistics are due to the reconciliation processes.

Table 57: Residential real estate investment median proposal processing times 2022–23 to 2024–25

2022–23	2023–24	2024–25
7 days	6 days	4 days

The ATO's residential real estate median processing time improved from previous financial years to 4 days for 2024–25.

National security

The government's May 2024 reforms included dedicating greater resources and applying more scrutiny to foreign investment proposals in critical and sensitive sectors. They also included enhancing compliance monitoring and enforcement activities.

These reforms build on changes which took effect in January 2021, to strengthen the foreign investment framework's national security powers and increase the types of transactions subject to mandatory notification. These changes enabled investors to voluntarily notify actions that may pose national security concerns.

Of the 1,362 commercial foreign investment proposals approved in 2024–25, 109 related to national security actions with a total value of $4.8 billion that would not have been captured prior to January 2021.[13] Of these national security actions, 85 were mandatory notifications and 24 were voluntary.

Table 58: Number of approved national security investment proposals 2022–23 to 2024–25

		2022–23	2023–24	2024–25
Mandatory	Approved with conditions	15	11	8
	Approved without conditions	69	42	77
	Total	**84**	**53**	**85**
Voluntary	Approved with conditions	4	1	5
	Approved without conditions	27	24	19
	Total	**31**	**25**	**24**

Note: Proposals are categorised as either mandatory or voluntary notifications.
Variations from previously published statistics are due to the reconciliation processes.

Table 59: Value of approved national security investment proposals ($ billion) 2022–23 to 2024–25

	2022–23	2023–24	2024–25
Approved with conditions	1.0	0.3	0.5
Approved without conditions	4.7	2.4	4.3
Total	**5.7**	**2.7**	**4.7**

Note: Slight variations are due to rounding of a decimal value.

13 Table 51: Number of investment proposals 2022–23 to 2024–25.

Treasury foreign investment compliance activities

Treasury takes a risk-based approach to compliance with the foreign investment laws, focusing on areas of greatest risk to the national interest and national security. The goal is to ensure compliance activities detect and address breaches and support voluntary investor compliance.

The *Foreign Acquisitions and Takeovers Act 1975* provides enforcement powers that allow proportionate responses based on the nature and extent of non-compliance, investor conduct, and history. Treasury's compliance approach – outlined on foreigninvestment.gov.au and the Foreign Investment Compliance Framework Policy Statement – emphasises education, market intelligence, compliance assurance and enforcement.

Treasury's compliance posture supported the May 2024 reforms. In 2024–25, Treasury started using monitoring powers under the *Regulatory Powers (Standard Provisions) Act 2014* to conduct inspections to verify compliance. Treasury enhanced compliance efforts targeting foreign investments near sensitive Australian Government facilities, critical minerals, infrastructure, and technology.

Treasury issued one infringement notice in 2024–25 for a contravention of the *Foreign Acquisitions and Takeovers Act 1975.* This follows the issuing of 19 infringement notices in the previous year in response to multiple alleged contraventions by 2 separate foreign investors.

The Treasurer also filed the first ever application for civil penalties in the Federal Court of Australia, to address non-compliance with a disposal order issued in 2024 to address national security concerns.

In 2024–25, monitoring campaigns focused on sensitive and high-risk investments, particularly those involving data security and proximity to sensitive Australian Government facilities. Treasury undertook targeted, ongoing monitoring of highly sensitive investment in critical technologies.

Treasury's 2 audit programs – the Regulator Audit Program (Treasury-led in-house audits) and the Independent Audit Program (condition-mandated audits conducted by independent assurance practitioners) – serve important compliance assurance roles. The Regulator Audit program continued to develop during 2024–25 to conduct complex and in-depth audits, including through the use of monitoring powers. The audits were selected based on priority compliance risk areas to verify compliance with conditions imposed on approved foreign investments. Where an investor was found to be non-compliant or partially compliant, the investor worked with Treasury and remediated any identified non-compliance as a priority. The Independent Audit Program continues to enhance Treasury's oversight and assurance of investor compliance with conditions imposed on a significant number of investments in sensitive, high-risk and complex areas. Where non-compliance was identified, investors worked with Treasury to promptly address issues. Ongoing engagement with foreign investors has helped improve compliance and remediate issues.

Treasury compliance activities summary

Table 60 to Table 65 summarise compliance activities undertaken across the 2024–25 financial year. Further details can be found in the Quarterly Reports on Foreign Investment.

The Treasurer filed one application for civil penalty proceedings in the Federal Court of Australia. During 2024–25, Treasury exercised monitoring powers to conduct a number of on-site compliance inspections.

Table 60: Number of condition mandated reports 2022–23 to 2024–25

	2022–23	2023–24	2024–25
Condition mandated reports received	2,577	2,785	2,819
Condition mandated reports assessed[a]	3,027	3,188	2,675

Note: Any changes in historical figures are due to quality assurance activities.

a) Condition mandated reports assessed may include reports carried over from the previous financial years.

Table 61: Number of regulator audits completed 2022–23 to 2024–25

	2022–23	2023–24	2024–25
Regulator audits completed	6	7	5

Table 62: Number of independent audits completed 2022–23 to 2024–25

	2022–23	2023–24	2024–25
Proposals approved	76	76	91
Reports completed	78	67	96

Table 63: Number of matters sourced via non-compliance referrals and assessments by information source 2022–23 to 2024–25

	2022–23	2023–24	2024–25
Self-reported potential non-compliance with conditions (voluntary disclosures outside mandatory reporting)	25	11	11
Failure to notify related referrals/reports from the public[(a)]	43	33	73
Failure to notify related referrals/reports identified from other source[(b)]	46	57	20
Total	**114**	**101**	**104**

Note: Any changes in historical figures are due to quality assurance activities.

a) Including retrospective notifications received from investors.

b) Referrals from other sources can include internal referrals from other areas of the Treasury or Government, as well as Treasury-initiated referrals from media monitoring and market scanning for non-compliance.

Table 64: Number of infringement notices issued 2022–23 to 2024–25

	2022–23	2023–24	2024–25
Infringement notices issued	1	19	1

Table 65: Number of investigation matters completed 2022–23 to 2024–25

	2022–23	2023–24	2024–25
Investigations	2	4	7

Note: Any changes in historical figures are due to quality assurance activities.

Australian Taxation Office's compliance activities

The Australian Taxation Office (ATO) is committed to strengthening Australia's foreign investment framework and working with Treasury to ensure that foreign investors meet the foreign investment rules and comply with their obligations.

The ATO's regulation of foreign investment involves administration of residential application screening and fee collection, asset registration requirements, vacancy fee obligations and targeted residential compliance action. ATO officers consider all applications to purchase residential real estate on a case-by-case basis to ensure the proposed investment is not contrary to Australia's national interest. The ATO uses sophisticated data matching and community tip offs to detect foreign investors who purchase residential real estate without approval. The ATO also identifies those who breach the foreign investment rules for residential real estate and do not comply with conditions of their approval. This includes collection of annual vacancy fee returns and conducting compliance checks over these statements.

The ATO helps foreign investors to comply with their obligations by using data and analytics to drive early intervention and prevention of non-compliance. Targeted prompts may be sent to foreign investors to remind them of their conditions of approval and lodge vacancy fee returns. Consequences of breaching the foreign investment rules include forced divestment, infringement notices and civil penalties. The ATO's website includes further information about its compliance approach for foreign investment in residential assets.

Additional government funding committed from 1 January 2024 contributed to an increase in compliance outcomes in the 2024–25 year compared to previous years. The ATO's compliance activities in 2024–25 focused on high-risk residential real estate investments and aligned with the intention of the foreign investment framework that residential real estate investment should increase Australia's housing stock.

In 2024–25, the ATO identified 637 residential real estate compliance cases for investigation. Treatment strategies included prompting foreign investors to remediate a possible breach, case reviews and audits. Following this activity, 217 properties were found to be in breach of the foreign investment rules. Rectification of these breaches included divestments, retrospective approvals and variations to existing conditions imposed. The ATO also issued 161 infringement penalty notices totalling $3,743,562 and raised $3,585,800 in vacancy fee liabilities as part of the annual vacancy return lodgement compliance program. Of the 217 properties found to be in breach, over 60 per cent were acquired as established dwellings and over 30 per cent related to parcels of vacant land that were acquired with development conditions.

Table 66: Residential real estate compliance investigations 2022–23 to 2024–25

Investigations[a]	2022–23	2023–24	2024–25
Identified[b]	428	688	637
Completed	410	602	548
Properties in breach[c]	145	141	217

a) This includes compliance activities identified and completed during the year using prompter campaigns. A prompter campaign uses an educational approach to compliance aimed at assisting investors to comply with their obligations. In the 2024–25 year, 239 investigations were identified and completed using a prompter campaign.

b) The total number of identified cases includes new cases identified in the prior financial year which remained open at the end of that financial year. At the close of the 2023–24 year, 94 cases were carried forward into 2024–25 and at the close of 2024–25, 89 cases will be carried over into 2025–26.

c) As a result of improved methodology for reporting outcomes, 2024–25 figures are not directly comparable with prior years.

Table 67: Outcomes of residential real estate investigations by property that identified breaches 2022–23 to 2024–25

Compliance outcomes	2022–23		2023–24		2024–25[a]	
	No.	Percentage	No.	Percentage	No.	Percentage
Divestment[b]	55	37.93	66	46.80	111	51.15
Retrospective approval[c]	21	14.48	18	12.77	71	32.72
Change of conditions[d]	69	47.59	57	40.43	35	16.13
Total outcomes	**145**	**100.00**	**141**	**100.00**	**217**	**100.00**

Note: Previous year percentages may not equal 100 due to rounding.

a) As a result of improved methodology for reporting outcomes, 2024–25 figures are not directly comparable with prior years.

b) Includes property disposals initiated by the client following an ATO investigation.

c) Approval is provided after the property has been purchased.

d) In the course of an investigation, the ATO determines a foreign investor is in breach of their approval condition and works with the investor to remedy the breach. Where appropriate, an infringement notice is also issued in these situations for failure to comply with conditions.

Foreign investment digital transformation

To support the expanded remit flowing from the 2021 legislative reforms, the 2020–21 Budget provided $86.3 million over 4 years (2021–24) to deliver business and digital transformation programs to support the work of Treasury and the ATO.

As part of the digital transformation program, Treasury delivered a new integrated case and compliance management system. This enabled investors, agents and government consultation partners to engage with Treasury more efficiently. Treasury will continue to refine and enhance the system based on user feedback and stakeholder experience. The new platform improves Treasury's digital service delivery capability. It consolidates legacy data holdings and replaces them with a platform that includes:

- an end-to-end case management system for foreign investment submissions
- a foreign investment portal for investors and their representatives
- a portal for government consult partners to provide advice on case assessments
- a new Register of Foreign Ownership of Australian Assets (RFOAA), delivered by the ATO
- a single view of foreign investment case data
- a Treasury payment gateway.

The Foreign Investment Review Board

The Foreign Investment Review Board (the Board) is a non-statutory body that advises the Treasurer and Government on foreign investment matters. The Treasurer is responsible for decisions about foreign investment policy and proposals. Treasury's Foreign Investment Division administers the foreign investment regulatory framework and supports the Board's work.

Board members have expertise in foreign affairs, national security, business, investment, finance, and specific sectors. Robust probity procedures ensure any real or perceived conflicts of interests are appropriately managed.

The Board has several roles:

- Examining proposed investments in Australia that are subject to the *Foreign Acquisitions and Takeovers Act 1975* and supporting legislation and covered by Australia's Foreign Investment Policy, and making recommendations to the Treasurer and other Treasury portfolio ministers on these proposals.
- Providing advice to the Treasurer on the operation of Australia's Foreign Investment Policy and the *Foreign Acquisitions and Takeovers Act 1975*.
- Fostering an awareness and understanding of Australia's Foreign Investment Policy and the *Foreign Acquisitions and Takeovers Act 1975*.

Foreign Investment Review Board membership

On 30 June 2025, the Foreign Investment Review Board had 7 members, made up of 6 part-time members and one full-time executive member – the First Assistant Secretary of Treasury's Foreign Investment Division.

Table 68: Members of the Foreign Investment Review Board at 30 June 2025

Name	Qualifications and experience	Date of commencement
Mr Bruce Miller AO (Chair)	Mr Miller has had a distinguished career in international relations and intelligence occupying senior positions in the Department of Foreign Affairs and Trade, the Department of the Prime Minister and Cabinet, and the Office of National Assessments. He served as Australian Ambassador to Japan (2011–17). He is a non-executive director of Australian life insurance company TAL, and 2 Japanese companies, Dai-ichi Life Holdings and the INPEX corporation.	Non-executive member since 6 April 2022
Mr Steven Skala AO	Mr Skala is the Chairman of Clean Energy Finance Corporation (since 2017) and brings extensive experience in law, business and banking, as well as government-related and not-for-profit organisations. He is active beyond banking and commerce as the Chairman of the Heide Museum of Modern Art, an Honorary Life Governor of The General Sir John Monash Foundation, a Director of the Centre for Independent Studies and a Member of the International Council of the Museum of Modern Art (MoMA) in New York.	Non-executive member since 18 September 2020
Ms Carolyn Kay	Ms Kay is Chair of Rothschild & Co Australia, and a non-executive director of National Australia Bank, Scentre Group, and Myer Family Investments. In the not-for-profit sector, she is a non-executive director of The General Sir John Monash Foundation and a Trustee of Sydney Grammar School. In 2001, she was awarded the Centenary Medal for services to Australian society in business leadership and brings extensive experience to FIRB as an executive and non-executive director with more than 30 years' experience in the finance sector.	Non-executive member since 20 November 2021
Dr Sarah Pearson	Dr Pearson is Chancellor at the University of New England, a non-executive director of Royal Automobile Club of Queensland (RACQ), Adjunct Professor at the University of Queensland, and member of Main Sequence Ventures Investment Committee. She has represented Australia globally as Chief Scientist and Chief Innovation Officer at the Commonwealth Department of Foreign Affairs and Trade (DFAT). She brings significant experience in public and private science and innovation roles, including in relation to technology and data, medical and biotechnology, food science, consumer goods, financial services, social impact, venture capital and startups.	Non-executive member since 7 December 2023

Name	Qualifications and experience	Date of commencement
Ms Linda Apelt	Ms Apelt is a Director of the Australian Retirement Trust as well as Chair of Opera Queensland and a Member of the Griffith University Council. She served as Agent-General for Queensland in the United Kingdom and the Queensland Trade and Investment Commissioner, Europe between 2017 and 2021 and was a former Director General for Departments of Communities and Housing with the Queensland Government. Ms Apelt was previously a Director with the Association of Economic Representatives in London, Adjunct Professor at the University of Queensland, Chair of Screen Queensland and Chair of Common Ground Queensland.	Non-executive member since 7 December 2023
Ms Kellie Benda	Ms Benda has held senior executive positions with AGL Limited, Origin Energy Limited, Aurizon Limited, and is a Fellow of the Australian Institute of Company Directors. She is currently a non-executive director or Chair of a number of organisations. She brings experience to FIRB across a broad range of industries including mining and resources, energy, utilities, infrastructure, technology, health services, agriculture, insurance, and professional services	Non-executive member since 7 December 2023
Mr Chris Tinning	Mr Tinning is the First Assistant Secretary of Treasury's Foreign Investment Division and the Executive Member of the Foreign Investment Review Board. He has over 20 years of experience with the Department of Foreign Affairs and Trade and the former Australian Agency for International Development, including in the role of Chief Economist Development. His international experience includes postings in Jakarta and Washington, and a secondment to the World Bank as adviser to Australia's Executive Director.	Executive member since 19 June 2023

Table 69: Foreign Investment Review Board meeting attendance during 2024–25

	Meetings attended	Meetings eligible to attend
Bruce Miller AO	7	7
Steven Skala AO	7	7
Carolyn Kay	7	7
Linda Apelt	7	7
Dr Sarah Pearson	7	7
Kellie Benda	7	7
Chris Tinning	7	7

Payment times reporting

Payment Times Reporting Scheme

Preparation of this report is in accordance with section 56 of the *Payment Times Reporting Act 2020* (the PTR Act). Section 56 requires the Payment Times Reporting Regulator (the regulator) to publish a report on the operation of the PTR Act and include it in Treasury's annual report.

The Payment Times Reporting Scheme (the Scheme) commenced on 1 January 2021 with a legislated review occurring in 2023. The government released its response to the review in December 2023 with significant reforms to the Scheme progressed since then and with most now finalised.

Long and late payment times can have considerable and negative impacts on small business, placing pressure on cash flow, hindering their ability to plan and grow, employ staff and, in some cases, requiring adjustments to short-term finance. Moving money through the system faster supports small business sustainability and growth, while delivering benefits to the Australian economy.

Under the Scheme, large businesses and some government enterprises (collectively known as reporting entities) must submit a payment times report to the regulator every 6 months. These reports contain information on how a reporting entity pays their small business suppliers. This includes common payment terms, actual payment performance, the proportion of their procurement with small business and the use of supply chain financing arrangements.

The regulator publishes payment times reports submitted by reporting entities on the Payment Times Reports Register. This information is publicly available at paymenttimes.gov.au. The Scheme's transparency aims to:

- improve payment times for small businesses
- support them to make more informed decisions about potential customers, and
- create incentives for reporting entities to improve their payment terms and practices.

Regulatory reforms

The *Payment Times Reporting Amendment Act 2024* commenced on 7 September 2024 and made significant changes to the PTR Act. The Payment Times Reporting Rules 2024 that support the operation of the Act, commenced on 13 September 2024.

The reforms strengthen regulatory powers and increase transparency. They provide the regulator with the appropriate tools and powers to deliver better payment outcomes for small businesses. Regulatory burden for reporting entities has also reduced through streamlined reporting requirements and processes.

The revised objects of the PTR Act and new regulator functions focus on changing large businesses behaviour by identifying and shining a light on poor and good payment practices. The regulator and ministerial powers allow action to address non-compliance proportionate to the severity of the non-compliance.

The reforms introduced new obligations for all reporting entities with new reporting requirements taking effect for reporting periods commencing on or after 1 July 2024.

- Simplified reporting requirements – changing the definition of a reporting entity and applying Australian Accounting Standards as a well-established and practical approach for consolidated reporting across corporate groups, simplifying their compliance obligations. A parent reporting entity now submits a single consolidated report on the payment performance of all its member entities, improving transparency of reporting data on the public Payment Times Reports Register.
- Streamlined and better-quality payment data – the number of fields in a payment times report has halved and data quality has improved through detailed calculation methodologies, providing more meaningful payment times information.

The Payment Times Reporting Regulator

The PTR Act and its administration by the regulator provide the regulatory framework to improve payment times for small businesses. This involves fostering a culture of prompt payment practices and making the payment times and practices of reporting entities transparent in respect of their small business suppliers.

The regulator's core functions are to:

- provide tools and resources for reporting entities to submit payment times reports twice a year and to publish the reports on the publicly available Payment Times Reports Register
- provide tools and resources that enhance transparency by making the Payment Times Reports Register data available
  - in a format that is easy for small business suppliers to access and use for planning and decision making, and
  - to support initiatives that incentivise improvements to payment times to small business
- conduct research and publish reports and analysis on the payment terms, times, and practices of reporting entities
- monitor compliance with the PTR Act to identify and address non-compliance by using their legislative powers.

In the regulator's Update for January 2025, the Regulator communicated to reporting entities and other stakeholders that they could expect the regulator to take a more proactive posture. It said it would be increasing education, stakeholder engagement and transparency through public reporting to optimise voluntary compliance, as well as strengthening its response to instances of non-compliance.

In March 2025, the Australian Government issued a Statement of Expectations to the regulator outlining its expectations for how the regulator will achieve their objectives, carry out their new functions and exercise their powers. In response, the regulator issued a Statement of Intent providing a roadmap for the delivery of the regulator's new functions and reinforced their commitment to integrity, professionalism and best practice regulation.

Operation of the scheme

A reporting entity is the highest-level entity within a corporate group that satisfies all criteria set out in section 7 of the PTR Act, including having consolidated revenue exceeding $100 million in the previous financial year. A reporting entity under the reformed Scheme must submit a consolidated payment times report consistent with the principles of consolidation in the Australian Accounting Standards Board standards. This report must include the payment data of the reporting entity and its controlled entities, including foreign entities and those that are not constitutionally covered entities, or have annual revenue under $10 million.

The Scheme's website at paymenttimes.gov.au provides a suite of guidance materials and information sheets to help reporting entities meet their obligations and understand how the regulator administers the PTR Act.

The reporting entity must prepare and submit reports for reporting periods commencing on or after 1 July 2024 under the new reporting framework. To support reporting entities transition to the new framework, the amendments to the PTR Act included an automatic 3-month extension for new reporting obligations. This extension meant that reports for reporting periods commencing between 1 July 2024 and 30 September 2024 were due on or before 30 June 2025, instead of 31 March 2025.

Only entities that meet the revised definition of a reporting entity in the PTR Act must submit payment times reports under the new Scheme. However, reporting obligations under the previous legislative framework continue to apply to reporting periods that commenced before 1 July 2024.

Payment transactions in the 2024–25 financial year were subject to either the previous or the new legislative frameworks. Together with the introduction of new application types and revised reporting obligations, a like-for-like comparison with previous financial years is not appropriate.

In the 2024–25 financial year, reporting entities submitted 15,499 payment times reports under both the previous and new legislative frameworks.

In the same period, the regulator received and processed:

- 19 applications for an extension of time under the previous legislative framework
- 8 notices to be a volunteering entity under the previous legislative framework
- 657 applications for a short extension of time
- 34 applications for a modifiable extension of time
- 44 applications for a determination to be a subsidiary reporting entity
- 17 applications for a determination to be a reporting nominee
- 1 application to be a volunteering entity
- 15 applications to be exempt from reporting, and
- 7 applications for reconsideration of a reviewable decision.

Payment Times Reports Register

On 13 September 2024, the regulator launched a new and improved interactive register. The register refreshes daily to reflect newly submitted payment times reports and applications from reporting entities. New functionality in the interactive register dashboards provides users with better accessibility to payment times data.

The regulator also publishes a downloadable Register Excel dataset. Between 1 July 2024 and 30 June 2025, this dataset updated 11 times (excluding September 2024 when the Scheme transitioned to the new legislative framework).

The regulator will continue to make improvements to the register to increase transparency of large businesses payment practices and provide more information to compare payment times within and across industries.

Stakeholder engagement

Stakeholder engagement continued to increase over the 12 months to February 2025. Stakeholder attendance at the regulator's liaison forums increased by 175 per cent and the number of organisations represented increased by 179 per cent. Notably, 8 major organisations that had not previously engaged with the regulator participated in the February 2025 forum.

The regulator engages with stakeholders to deliver better payment outcomes for small business suppliers and support economic growth. In 2024–25, the regulator engaged with, and supported stakeholders in several ways:

- Regulator's Updates released in July 2024 and January 2025. The Updates are published on the paymenttimes.gov.au website.
- Stakeholder liaison forums held in September 2024 and February 2025 offering reporting entities with an opportunity to engage directly with the regulator.
- 12 strategic engagements with industry associations, professional bodies, professional service providers and small business advocates. These engagements raise awareness about the Scheme, promote our data and develop mutually beneficial relationships with organisations that are taking proactive steps to promote and support responsible payment practices.
- 4 online educational technical workshops *'Getting Ready for New Reporting'* delivered between March and May 2025. These workshops attracted nearly 3,000 participants, helping them to better understand their reporting obligations and how to prepare their payment times reports.
- Guidance resources including a series of enhanced materials, demonstration videos and frequently asked questions to support reporting entities navigate new reporting obligations
- Timely responses to 5,986 email enquiries about the reforms and new reporting requirements.

Payment times compliance

The regulator actively monitors and enforces compliance with the Scheme.

The regulator has adopted an escalating and risk-based approach to compliance. This ranges from education and guidance to optimise voluntary compliance through to applying its enforcement powers in cases of persistent and deliberate non-compliance.

The regulator has a range of enforcement tools to respond to non-compliance with the Scheme. These tools allow for proportionate and targeted action, depending on the severity and nature of each case. They include:

- undertaking monitoring or investigation activities under the *Regulatory Powers Act 2014*
- issuing information gathering notices
- requiring a reporting entity to undergo a compliance audit
- publishing non-compliance on the public register
- issuing infringement notices
- entering enforceable undertakings, and
- commencing proceedings to impose civil penalties.

Compliance activities

Between 1 July 2024 and 30 June 2025, officers conducted compliance activities focusing on:

- entities that had not previously registered for the Scheme, and
- registered entities that failed to report for one or more reporting periods under the previous legislative framework.

In 2024–25, the regulator published 142 *failure to comply* notices for 42 entities that failed to comply with their obligations under the PTR Act.

Australian Small Business and Family Enterprise Ombudsman

The mission of the Australian Small Business and Family Enterprise Ombudsman (ASBFEO) is to help Australia be the best place to start, grow and transform a business. Small business is a dynamic, fast-growing and exciting sector driven by optimistic and resilient people with entrepreneurial spirit and attitude. The ASBFEO celebrates the vital and deeply personal commitment to Australia's prosperity, wellbeing, and our communities made by more than 2.5 million small and family businesses.

The Ombudsman, the Hon Bruce Billson, is an independent, statutorily appointed public office holder. ASBFEO's activities are governed by the *Australian Small Business and Family Enterprise Ombudsman Act 2015* (the ASBFEO Act). Under the Act, ASBFEO delivers its functions for small businesses and family enterprises defined as businesses with fewer than 100 employees or revenue of less than $5 million per year.

ASBFEO has 3 functions to:

- assist with dispute resolution and resource access for small and family businesses
- advocate for policy development, regulatory design and the business support system
- inform small and family businesses about 'better practice' guidance, support tools and helpful resources.

ASBFEO acts as a trusted adviser and advocate to government, the Parliament and regulators, drawing on significant and unique expertise to identify issues affecting small business and family enterprises. Policy makers and program designers look for and value ASBFEO's agility and in-depth insights, rich field evidence, problem-solving ability, and deep stakeholder engagement.

ASBFEO's economics and data analytics team conducts surveys and draws together public and private sector data to produce tailored and accessible information.

In 2024–25, ASBFEO received and responded to 8,142 requests for assistance by providing:

- guidance from officers on our dedicated contact centre hotline
- personalised case management
- tools to help people start and grow a business and make better business decisions
- access to mental health support
- referral to appropriate agencies that can help.

Most disputes involving small businesses in 2024–25 related to payments. ASBFEO provided one-to-one assistance for a record 631 payment disputes in 2024–25. The previous record was 587 disputes in 2023–24.

ASBFEO responds to requests from small and family businesses while ensuring it does not duplicate the functions of other Commonwealth, state or territory agencies, offering triage-style services when appropriate. Where small and family businesses reach out to us in need, we help connect them to the right agency or other support to resolve issues that arise. ASBFEO works cooperatively with government agencies to promote alternative dispute resolution processes.

ASBFEO builds and strengthens relationships across business, industry and government by leading and supporting the following events, groups and networks:

- the Ombudsman convenes the ASBFEO Small Business Forum that routinely hosts ministers to meet with small and family business facing industry and professional associations
- the Ombudsman chairs the Federal Regulatory Agency Group, which meets quarterly and comprises Commonwealth-level regulators including the Australian Competition and Consumer Commission, Australian Securities and Investments Commission, Australian Taxation Office, Australian Financial Complaints Authority, Australian Financial Security Authority, Fair Work Ombudsman and Treasury
- the Ombudsman co-chairs with an ATO Deputy Commissioner, the Small Business Stewardship Group that provides input and feedback on the ATO's approach to small business
- the Ombudsman hosts regular meetings of state-based Small Business Commissioners to collaborate, share information and insights, identify best practice and provide a united voice of influence for small businesses.

ASBFEO communicates with small businesses and family enterprises through a range of targeted activities, communication channels and networks. This includes social media, stakeholder engagement, media, newsletters, products and events. ASBFEO also operates a sponsorship and outreach program. This program connects directly with small businesses and family enterprises and their trusted advisors at events including expos, tradeshows, field days and summits.

In 2024–25, ASBFEO added new content and updated guidance materials on its website. Topics included assistance with payment disputes, recovery of digital accounts, working as a delivery driver and clarification of franchising agreements.

ASBFEO leads the Australian celebrations for the United Nations Micro, Small and Medium-sized Enterprises Day on 27 June each year.

The ASBFEO Small Business Hub provides free short-term office space for small and family business industry associations and policy advocates.

In 2024–25, ASBFEO was awarded the International Council for Small Business Lighthouse Award in recognition of its commitment and support of small and family business, providing guidance through challenges and delivering impactful solutions.

Advocacy

A broad range of research, advocacy and inquiries initiated by the Ombudsman were conducted in 2024–25. ASBFEO provided quarterly updates to the Minister about operations of the Ombudsman's Office and relevant legislation, policies and practices affecting small business (available at asbfeo.gov.au).

ASBFEO made recommendations to address power imbalances and unfair trading practices to the following industry code inquiries:

- ACCC Supermarkets Inquiry August 2024 Interim Report
- Grape and Wine Sector Regulatory Impact Analysis
- Senate Standing Committee on Economics – References Committee Inquiry into 'Big Box' retailer price setting
- Treasury's Mandatory Food and Grocery Code exposure draft regulations.

ASBFEO made 3 submissions to inquiries relating to insurance. The cost and availability of insurance significantly impacts small businesses, often leading to inadequate cover or a lack of cover. We made recommendations that governments and the industry work together to develop solutions to help small businesses mitigate their risk and put downward pressure on premiums to:

- the Senate Select Committee on the Impact of Climate Change inquiry into the impacts of climate change on insurance premiums and availability
- the Australian Capital Territory Legislative Assembly Standing Committee on Economics, Industry and Recreation inquiry into insurance costs in the ACT.

ASBFEO made submissions to reviews of codes of conduct for industries that include a significant number of small businesses:

- 2025 Independent Review of the 2022 Insurance Brokers Code of Practice
- draft Motor Vehicle Insurance and Repair Industry Code of Conduct
- draft Australian Finance Industry Association Code of Practice.

ASBFEO also submitted to 2 inquiries in relation to franchising, a key area of activity for the ASBFEO assistance team due to the large number of small business franchisees:

- Consideration of a licensing regime for franchise sector
- Franchising Code of Conduct Exposure Draft.

ASBFEO submitted views to Payday Super exposure draft legislation which places new obligations on employees to pay superannuation at the same time as salary and wages. It was recommended that Treasury consult further with affected small businesses and provide a longer implementation timeframe to encourage compliance.

ASBFEO made submissions to several Treasury consultations on competition and consumer law. The submissions made recommendations to remove barriers to competition for small businesses, including:

- Mergers and acquisitions notification thresholds
- Revitalising National Competition Policy
- Unfair trading practices – supplementary consultation paper.

ASBFEO submitted its views to 2 Productivity Commission inquiries:

- National Competition Policy analysis 2025
- Australia's Productivity Pitch.

It also made a submission to the Department of Industry, Science and Resources' draft information standard and explanatory statement on Country of origin labelling for seafood in hospitality settings.

ASBFEO made a total of 52 submissions in 2024–25 to entities including:

- Attorney-General's Department
- Australian Competition and Consumer Commission
- Australian Securities and Investment Commission
- Australian Finance Industry Association
- Department of Agriculture, Fisheries and Forestry
- Department of Finance
- Department of Industry, Science and Resources
- Department of Infrastructure, Transport, Regional Development, Communications, and the Arts
- Motor vehicle Insurance and Repair Industry Code Administration Committee
- National Insurance Brokers Association
- Department of the Treasury
- Fair Work Commission
- Fair Work Ombudsman
- Inspector General of Taxation and Taxation Ombudsman
- Parliamentary Committees
- Productivity Commission
- Reserve Bank of Australia
- Tax Practitioners Board

Assistance

The Ombudsman received 8,142 requests for assistance in 2024–25. These comprised 6,624 calls to the Ombudsman's contact centre and 1,518 formal requests for assistance in accordance with the ASBFEO Act. No formal requests for assistance about 'no adverse cost' orders were received.

The Ombudsman provided one-to-one assistance to small and family businesses in 1,518 new disputes with other businesses or Australian Government agencies in 2024–25. Of these, 21 per cent were disputes with digital platforms or other digital services providers. In many cases, small business accounts were disabled and they were unable to access any effective internal resolution support with the platforms.

Consistent with previous years, the other most common types of disputes in 2024–25 were payment disputes (42 per cent), contract disputes (13 per cent) and the Franchising Code of Conduct (9 per cent). The Ombudsman referred 55 cases to alternative dispute resolution, including 50 under the franchising code. This includes cases received in previous financial years.

The Ombudsman finalised 1,470 cases including 86 per cent of all cases received in 2024–25. The Ombudsman referred 279 cases (18 per cent of all cases received in 2024–25) to small business commissioners in the states and territories (Table 70). A further 10 cases were referred to Commonwealth and other agencies.

Thirty disputes were partially or fully resolved following the Ombudsman's referral to an alternative dispute resolution process in 2024–25. The Ombudsman worked closely with Commonwealth, state and territory agencies, but did not require entry into any formal cooperative arrangements.

Table 70: Outcome of new disputes actively managed by ASBFEO during 2024–25

Resolution	Count	Percentage of total
Referral to more appropriate agency		
• state small business commissioners	279	18%
• referred to appropriate agency (including Australian Financial Complaints Authority, Fair Work Ombudsman, and so on)	10	1%
Resolved by Ombudsman contact with one or more party	986	65%
Referred to alternative dispute resolution (including under the Franchising, Horticulture, Oil and Dairy Codes)	28	2%
Referred to Small Business Tax Concierge lawyer	8	1%
Cases currently in progress with Ombudsman	207	14%
Total cases received by ASBFEO requiring active case management	**1,518**	**100%**

Note: This table is accurate at date of compilation. The Ombudsman takes great care to ensure the quality and reliability of data, sourced from a case management system that is constantly updated. Percentages may not sum to 100% due to rounding.

In 2024–25, the Ombudsman was given additional powers and responsibilities under the Oil, Horticulture, and Food and Grocery industry codes. The Ombudsman also expanded its subsidised legal advice service offering to include eligible small and family businesses needing support to more effectively engage in dispute resolution processes. The expanded service uses existing funding and extends the types of cases eligible for support beyond disputes over negative decisions by the Australian Commissioner of Taxation to broader commercial and industry code matters.

In June 2025, TQCS International reviewed the Australian Small Business and Family Enterprise Ombudsman Management System and was satisfied that it meets the requirements of ISO 10003:2018 – Quality management Customer satisfaction – Guidelines for dispute resolution external to organizations. This is the global standard for managing high-quality external dispute resolution services.

The ASBFEO was recognised by the Australian Disputes Centre as the 2025 Ombudsmen & Commissions Alternative Dispute Resolution Group of the Year.

Report on the activities of the Data Standards Chair

Dr Ian Opperman was appointed as the Data Standards Chair for both the Digital ID and the Consumer Data Right (CDR) programs for a two-year period from 1 March 2025 to 28 February 2027.

Mr Andrew Stevens was the CDR Data Standards Chair during his most recent appointment from 1 March 2023 to 28 February 2025. He was the inaugural officeholder and held continuous appointments since May 2018.

Section 56FP of the *Competition and Consumer Act 2010* requires Treasury to include information about the CDR Data Standards Chair's performance, and the exercise of their powers, in the Treasury annual report.[14]

The Data Standards Body of the Treasury assists the Data Standards Chair. The Chair supports the CDR program by making Data Standards.

The CDR aims to empower consumers, drive innovation and increase competition. It puts individuals and businesses in control of data held about them, enabling them to share that data safely and make more informed decisions. It has a multi-agency delivery model involving Treasury, the Australian Competition and Consumer Commission and the Office of the Australian Information Commissioner.

The Chair issued 7 iterations of the Data Standards in 2024–25. Major milestones included standards releases to support the consent review and authentication uplift, with standards for the non-bank lending sector nearing finalisation. Cross-sectoral guidance and implementation activities have also occurred during this time, including 12 consumer experience guideline releases.

The Chair convened 7 meetings of the Data Standards Advisory Committee (DSAC) in 2024–25. DSAC will be reformed under the new Chair in 2025–26 following a change of membership and a review of its terms of reference. The new DSAC will provide strategic, expert and industry advice on the design and implementation of both CDR and Digital ID Data Standards. The new terms of reference were published in May at dsb.gov.au. This includes, but is not limited to, regularly reviewing and discussing global trends and innovations in relevant standards, particularly regarding enabling and supporting Australia's digital economy, data sharing and use of digital identification and verification. Membership includes representatives from relevant sectors, subject matter experts, and privacy and consumer advocates.

14 The Chair's performance with regard to the Digital ID program is included in the Department of Finance's annual report, as the Department of Finance is responsible for administering the Digital ID Act 2024.

The Information Security Consultative Group met 17 times in 2024–25 to advise on improving the security of authentication in the CDR. The Non-Functional Requirements Consultative Group met 5 times in 2024–25 to set a baseline expectation for performance and availability of technical implementations that support the CDR ecosystem. The membership, minutes and terms of reference of these groups are published on dsb.gov.au.

The CDR Rules require the Data Standards to be subject to consumer testing. In 2024–25, consumer experience research findings were used to inform standards and policy for the consent review, authentication uplift, and consent drop issues through real-world testing of CDR participant use cases. This research was used to assess the performance of the data standards.

The Data Standards Body commissioned a report to assess DSB's practices against the Digital Service Standard, which will be finalised in 2025–26. The report's findings will assist the Chair to meet his obligations to consult on and publish the CDR Data Standards.

The Chair recognises and acknowledges the continuing contributions and dedication of the Data Standards Body. The Chair notes his appreciation of the Data Standards Advisory Committee and the Consultative Groups, whose members volunteer their time and expertise.

National Interest Framework

In line with section 14 of the *Future Made in Australia Act 2024,* the Treasury annual report must include a report on the operation of the Act during the reporting period.

Treasury is responsible for Part 2 and section 13 of the Act, which established the National Interest Framework and sector assessment process. In 2024–25, Treasury established the sector assessment function, including development of analytical tools and capability.

Australian National Contact Point for Responsible Business Conduct

The Australian National Contact Point for Responsible Business Conduct promotes responsible business conduct under the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. It engages with stakeholders including business, government, civil society, unions and academics. The Australian National Contact Point provides a free conciliation service within a non-judicial OECD framework to help resolve complaints against multinational enterprises in connection with alleged non-observance of the guidelines.

Treasury contracted 4 independent examiners in 2024–25 to assess, conciliate and make recommendations on individual complaints through public statements. Treasury also provides secretariat support, conducts promotional activities to raise awareness and contributes to policy development. The function is supported by a Governance and Advisory Board which meets biannually and comprises representatives from government, civil society, business and unions.

In 2024–25 the Australian National Contact Point supported 9 events, used social media for promotion and worked directly with government and non-government stakeholders to promote responsible business conduct through their member networks.

The Australian National Contact Point managed 11 complaints in 2024–25.
At 30 June 2025:

- one was in ongoing mediation
- one was on hold
- one was subject to a follow up process
- 2 were undergoing a final statement following mediation or a declined mediation offer
- 3 were still subject to initial assessment (whether to accept, reject or transfer)
- 2 were closed after final statements were published
- one was closed after a follow up statement was published.

The Australian National Contact Point reports annually to the OECD and complaint statements are available at ausncp.gov.au.

Information correcting the record

There are no corrections to the information provided in the Treasury Annual Report 2023–24.

Abbreviations and acronyms

ACCC	Australian Competition and Consumer Commission
AM	Member of the Order of Australia
ANAO	Australian National Audit Office
AO	Officer of the Order of Australia
APS	Australian Public Service
ASBFEO	Australian Small Business and Family Enterprise Ombudsman
ATO	Australian Taxation Office
CDR	Consumer Data Right
CROMP	Climate Risk and Opportunity Management Program
DFAT	Department of Foreign Affairs and Trade
EL	Executive Level
FIRB	Foreign Investment Review Board
FTP	Financial Transactions Plan
G20	The Group of Twenty
GDP	Gross domestic product
GST	Goods and Services Tax
IBRD	International Bank for Reconstruction and Development
ICSID	International Centre for Settlement of Investment Disputes
IDA	International Development Association
IFC	International Finance Corporation
IMF	International Monetary Fund
MIGA	Multilateral Investment Guarantee Agency
MP	Member of Parliament
NASHH	National Agreement on Social Housing and Homelessness
NRAS	National Rental Affordability Scheme
OECD	Organisation for Economic Co-operation and Development
PBS	Portfolio Budget Statements
PGPA Act	*Public Governance, Performance and Accountability Act 2013*
PGPA Rule	Public Governance, Performance and Accountability Rule 2014
PRGT	Poverty Reduction and Growth Trust
PSM	Public Service Medal
RBA	Reserve Bank of Australia
SES	Senior Executive Service
SDR	Special Drawing Rights
SME	Small and medium-sized enterprise
The Ombudsman	Australian Small Business and Family Enterprise Ombudsman
WHS	Work Health and Safety
WRC	Workplace Relations Committee

Glossary

Accountable Authority instructions	Instructions issued to manage the affairs of an entity to promote the efficient, effective, economical and ethical use of Commonwealth resources.
Activities	The actions/functions performed by agencies to deliver government policies.
Administered item	Items that are usually managed by an entity on behalf of the government. Entities do not have control over these items which are normally related to activities governed by eligibility rules and conditions established by legislation (for example, grants, subsidies and benefit payments).
Annual performance statements	Commonwealth entities report, through their annual performance statements, on the extent to which they have fulfilled the purposes they articulate at the beginning of a reporting year in their corporate plan. They must also report on performance criteria in the portfolio budget statements, portfolio additional estimates statements or other portfolio estimates statements.
Appropriation	Public monies the Parliament authorises the government to withdraw from the Consolidated Revenue Fund for a specified purpose.
APS employee	A person engaged under section 22, or a person who is engaged as an Australian Public Service employee under section 72, of the *Public Service Act 1999.*
Budget	Sets out the fiscal and economic outlook for Australia, including expenditure and revenue estimates for the current financial year, the budget year and 3 forward financial years. It identifies the government's social and political priorities and how they will be achieved.
Clear read principle	It is important to maintain a clear read between the Portfolio Budget Statements, an entity's corporate plan, and an entity's annual report. Information should be consistent across these and other budget documents, and, where possible, avoid duplication of reporting. To help readers to form a judgement, reporting by entities should provide a clear read between the allocation and use of public resources, and the results being achieved through activities undertaken with these resources. More information is available at www.finance.gov.au/government/managing-commonwealth-resources/reporting-performance-information-portfolio-budget-statements-rmg-129/clear-read-between-pbs-and-corporate-plan.
Consolidated Revenue Fund	The Consolidated Revenue Fund consists of all revenues and moneys raised or received by the executive government of the Commonwealth. The fund is self-executing in nature, which means that all money received by the Commonwealth automatically forms part of the fund.

Consultant	A person or organisation providing professional, independent, expert advice or services. The term is used to describe the application of expert skills to investigate or diagnose a defined issue or problem; carry out defined research, reviews or evaluations; or provide independent advice, information or creative solutions to assist an entity in management decision-making.
Contractor	A person engaged by an agency, usually on a temporary basis. Treated as an employee of the agency for the purposes of program performance reporting.
Corporate governance	The process by which agencies are directed and controlled. It is generally understood to encompass authority, accountability, stewardship, leadership, direction and control.
Corporate plan	The primary planning document of a Commonwealth entity that sets out the objectives and strategies the entity intends to pursue in achieving its purposes over at least 4 reporting periods. A corporate plan explains: • what an entity's purposes are • what it will do to achieve its purposes • how it will know that it has achieved its purposes.
Departmental item	Departmental items are usually appropriations managed by an entity, and over which the entity has control. That is, the entity's accountable authority has discretion in delivering the activities and/or allocating resources. Typically, these items include the day-to-day operations and program support activities of an entity.
Enterprise agreement	An employment agreement made directly between an employer and employees.
Finance law	Refers to: • The PGPA Act 2013; or • rules issued under the PGPA Act 2013; or • any instrument made under the PGPA Act; or • an Appropriation Act.
Financial results	The results shown in the financial statements of an agency.
Fraud	Dishonestly obtaining a benefit, or causing a loss, by deception or other means. Accountable authorities of Commonwealth entities must take all reasonable measures to prevent, detect and deal with fraud in accordance with section 10 of the Public Governance, Performance and Accountability Rule 2014.
Full-time equivalent	The effective number of full-time employees in an entity, where an FTE of 1.0 is the equivalent of one full-time person. Part-time employees are converted to full-time equivalents.

Grant	The Department of Finance describes a grant as an arrangement for the provision of financial assistance by the Commonwealth or on behalf of the Commonwealth: • under which relevant money or other Consolidated Revenue Fund money is to be paid to a recipient other than the Commonwealth, and • is intended to help address one or more of the Australian Government's policy outcomes while assisting the grantee achieve its objectives. More information is available at www.finance.gov.au/government/commonwealth-grants.
Materiality	Considers the planned outcome and the relative significance of the resources consumed in contributing to the achievement of that outcome.
Mid-Year Economic and Fiscal Outlook	The Mid-Year Economic and Fiscal Outlook (MYEFO) updates of the government's budget estimates. It examines expenses and revenues in the year to date, as well as provisions for new decisions that have been taken since the Budget. The report provides updated information to allow the assessment of the government's fiscal performance against the fiscal strategy.
Non-ongoing APS employee	A person engaged as an Australian Public Service employee under subsection 22(2)(a) of the *Public Service Act 1999.*
Official Public Account	The Commonwealth's central bank account. The Official Public Account is one of a group of linked bank accounts, referred to as the Official Public Account Group of Accounts. The Reserve Bank of Australia maintains the Official Public Accounts.
Ongoing APS employee	A person engaged as an ongoing Australian Public Service employee under section 22(2) (a) of the *Public Service Act 1999.*
Operations	Functions, services and processes performed in pursuing the objectives or discharging the functions of an entity.
Outcomes	The results, impacts or consequences of a purpose or activity, as defined in the annual appropriation acts and the Portfolio Budget Statements, by a Commonwealth entity and company.
Performance information	Evidence about performance that is collected and used systematically, which may relate to appropriateness, effectiveness and efficiency and the extent to which an outcome can be attributed to an intervention. While performance information may be quantitative (numerical) or qualitative (descriptive), it should be verifiable.
Portfolio Budget Statements	The Portfolio Budget Statements inform parliamentarians and the public of the proposed allocation of resources to government outcomes. They also assist the Senate standing committees with their examination of the government's budget. Portfolio Budget Statements are tabled in Parliament on Budget Night and published as budget related papers.

Programs	Commonwealth programs deliver benefits, services or transfer payments to individuals, organisations, or the community as a whole, and/or policy advice to inform Government decisions. A program is comprised of activities or groups of activities, as defined in the annual appropriation acts and Portfolio Budget Statements, by a Commonwealth entity and company.
Public Governance, Performance and Accountability Act 2013	As the primary piece of Commonwealth resource management legislation, the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) establishes a coherent system of governance and accountability for public resources, with an emphasis on planning, performance and reporting. The PGPA Act applies to all Commonwealth entities and Commonwealth companies. A list of Commonwealth entities and companies is available at: finance.gov.au/government/managing-commonwealth-resources/structure-australian-government-public-sector/pgpa-act-flipchart-and-list
Risk management	The systematic application of policies, procedures and practices to clearly identify, analyse, evaluate, treat and monitor risks associated with identified opportunities. Risk is broadly defined as the effect of uncertainty on objectives or the impacts of unforeseen events or undesirable outcomes.
Senate Estimates hearings	Senate standing committees hold hearings to scrutinise the appropriation bills and any explanatory documentation tabled to accompany them. Public servants are called as witnesses to hearings.
Specific Purpose Payments	Commonwealth payments to the states for specific purposes to pursue important national policy objectives in areas that may be administered by the states.

List of requirements

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
17AD(g)	**Letter of transmittal**			
17AI	Letter of transmittal	iii	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory
17AD(h)	**Aids to access**			
17AJ(a)	Table of contents	v–vi	Table of contents.	Mandatory
17AJ(b)	Index	288	Alphabetical index.	Mandatory
17AJ(c)	Abbreviations and acronyms Glossary	272–276	Glossary of abbreviations and acronyms.	Mandatory
17AJ(d)	List of requirements	277–287	List of requirements.	Mandatory
17AJ(e)	Introduction and guide to the report	xiv	Details of contact officer.	Mandatory
17AJ(f)	Introduction and guide to the report	xiv	Entity's website address.	Mandatory
17AJ(g)	Introduction and guide to the report	xiv	Electronic address of report.	Mandatory
17AD(a)	**Review by accountable authority**			
17AD(a)	Secretary's review	3–7	A review by the accountable authority of the entity.	Mandatory
17AD(b)	**Overview of the entity**			
17AE(1)(a)(i)	Departmental overview	8	A description of the role and functions of the entity.	Mandatory
17AE(1)(a)(ii)	Departmental overview	9–12	A description of the organisational structure of the entity.	Mandatory

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
17AE(1)(a)(iii)	Portfolio overview	16	A description of the outcomes and programmes administered by the entity.	Mandatory
17AE(1)(a)(iv)	Departmental overview	8	A description of the purposes of the entity as included in corporate plan.	Mandatory
17AE(1)(aa)(i)	Departmental overview	9	Name of the accountable authority or each member of the accountable authority.	Mandatory
17AE(1)(aa)(ii)	Departmental overview	9	Position title of the accountable authority or each member of the accountable authority.	Mandatory
17AE(1)(aa)(iii)	Departmental overview	9	Period as the accountable authority or member of the accountable authority within the reporting period.	Mandatory
17AE(1)(b)	Portfolio overview	15	An outline of the structure of the portfolio of the entity.	Portfolio departments - mandatory
17AE(2)	N/a	-	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, mandatory
17AD(c)	**Report on the Performance of the entity**			
17AD(c)(i); 16F	Annual performance statements	19–81	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory
17AD(c)(ii)	**Report on Financial Performance**			
17AF(1)(a)	Financial performance	82	A discussion and analysis of the entity's financial performance.	Mandatory
17AF(1)(b)	Resource tables	83–84	A table summarising the total resources and total payments of the entity.	Mandatory

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
17AF(2)	Resource tables	85–87	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, mandatory
17AD(d)	**Management and Accountability**			
17AG(2)(a)	Corporate governance	95	Information on compliance with section 10 (fraud systems).	Mandatory
17AG(2)(b)(i)	Letter of transmittal	iii	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory
17AG(2)(b)(ii)	Letter of transmittal	iii	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating, or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory
17AG(2)(b)(iii)	Letter of transmittal	iii	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory
17AG(2)(c)	Corporate governance	91	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
17AG(2)(d) – (e)	N/a	-	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with Finance law and action taken to remedy non-compliance.	If applicable, mandatory
	Audit Committee			
17AG(2A)(a)	Corporate governance	92	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory
17AG(2A)(b)	Corporate governance	93	The name of each member of the entity's audit committee.	Mandatory
17AG(2A)(c)	Corporate governance	93	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory
17AG(2A)(d)	Corporate governance	93	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory
17AG(2A)(e)	Corporate governance	93	The remuneration of each member of the entity's audit committee.	Mandatory
	External Scrutiny			
17AG(3)	External scrutiny	97	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory
17AG(3)(a)	External scrutiny	97	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, mandatory

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
17AG(3)(b)	External scrutiny	97	Information on any reports on operations of the entity by the Auditor-General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, mandatory
17AG(3)(c)	N/a	-	Information on any capability reviews on the entity that were released during the period.	If applicable, mandatory
	Management of Human Resources			
17AG(4)(a)	Our people	98	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory
17AG(4)(aa)	Our people	100–101, 107–108	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: a) statistics on full-time employees b) statistics on part-time employees c) statistics on gender d) statistics on staff location.	Mandatory
17AG(4)(b)	Our people	102–107	Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following: • Statistics on staffing classification level • Statistics on full-time employees • Statistics on part-time employees • Statistics on gender • Statistics on staff location • Statistics on employees who identify as Indigenous.	Mandatory

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
17AG(4)(c)	Our people	110	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the Public Service Act 1999.	Mandatory
17AG(4)(c)(i)	Our people	110	Information on the number of SES and non-SES employees covered by agreements etc identified in paragraph 17AG(4)(c).	Mandatory
17AG(4)(c)(ii)	Our people	109–110	The salary ranges available for APS employees by classification level.	Mandatory
17AG(4)(c)(iii)	Our people	109	A description of non-salary benefits provided to employees.	Mandatory
17AG(4)(d)(i)	N/a	-	Information on the number of employees at each classification level who received performance pay.	If applicable, mandatory
17AG(4)(d)(ii)	N/a	-	Information on aggregate amounts of performance pay at each classification level.	If applicable, mandatory
17AG(4)(d)(iii)	N/a	-	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, mandatory
17AG(4)(d)(iv)	N/a	-	Information on aggregate amount of performance payments.	If applicable, mandatory
	Assets management			
17AG(5)	Assets management	115	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities.	If applicable, mandatory
	Purchasing			
17AG(6)	Procurement	111	An assessment of entity performance against the Commonwealth Procurement Rules.	Mandatory

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
	Reportable consultancy contracts			
17AG(7)(a)	Consultants and non-consultants	113–114	A summary statement detailing the number of new contracts engaging consultants entered into during the period; the total actual expenditure on all new consultancy contracts entered into during the period (including GST); the number of ongoing reportable consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting year on the ongoing consultancy contracts (including GST).	Mandatory
17AG(7)(b)	Consultants and non-consultants	113–114	A statement that *'During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of $[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of $[specified million]'.*	Mandatory
17AG(7)(c)	Consultants and non-consultants	113–114	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory
17AG(7)(d)	Consultants and non-consultants	113–114	A statement that *'Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.'*	Mandatory

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
	Reportable non-consultancy contracts			
17AG(7A)(a)	Consultants and non-consultants	113–114	A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (including GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (including GST).	Mandatory
17AG(7A)(b)	Consultants and non-consultants	113–114	A statement that *'Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.'*	Mandatory
17AD(daa)	**Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts**			
17AGA	Consultants and non-consultants	113–114	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory
	Australian National Audit Office Access Clauses			
17AG(8)	Procurement	111	If an entity entered into a contract with a value of more than $100,000 (including GST) and the contract did not provide the Auditor-General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, mandatory

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
	Exempt contracts			
17AG(9)	Procurement	111	If an entity entered into a contract or there is a standing offer with a value greater than $10 000 (including GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, mandatory
	Small business			
17AG(10)(a)	Procurement	112	A statement that *'[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website.'*	Mandatory
17AG(10)(b)	Procurement	112	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory
17AG(10)(c)	Procurement	112	If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that *'[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website.'*	If applicable, mandatory

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
	Financial Statements			
17AD(e)	Financial statements	125–200	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory
	Executive Remuneration			
17AD(da)	Executive remuneration	116–121	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2-3 of the Rule.	Mandatory
17AD(f)	**Other Mandatory Information**			
17AH(1)(a)(i)	Advertising and market research	211–212	If the entity conducted advertising campaigns, a statement that *'During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity's website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance's website.'*	If applicable, mandatory
17AH(1)(a)(ii)	Advertising and market research	211–212	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, mandatory
17AH(1)(b)	Grants	213	A statement that *'Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity's website].'*	If applicable, mandatory
17AH(1)(c)	Disability reporting	216	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory
17AH(1)(d)	Information Publication Scheme	213	Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory

PGPA Rule Reference	Part of report	Page reference	Description	Requirement
17AH(1)(e)	Information correcting the record	271	Correction of material errors in previous annual report.	If applicable, mandatory
17AH(2)	Advertising and market research	211–212	Information required by other legislation. Information required by other Acts or instruments to be included in the annual report must be included in one or more appendices to the report. For Treasury, for reporting period 2024–25, this covers: • *Commonwealth Electoral Act 1918* • *Freedom of Information Act 1982* • *Work Health and Safety Act 2011* • *Environment Protection and Biodiversity Conservation Act 1999* • *International Monetary Agreements Act 1947* • *International Bank for Reconstruction and Development (General Capital Increase) Act 1989* • *Payment Times Reporting Act 2020* • *Australian Small Business and Family Enterprise Ombudsman Act 2015* • *Competition and Consumer Act 2010* • *Future Made in Australia Act 2024*	Mandatory
	Information publication scheme	213		
	Work health and safety	214–215		
	Environmental performance	218–226		
	Australia and the international financial institutions	227–238		
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