



Australian Government

Department of Infrastructure, Transport,  
Regional Development and Communications

# Annual Report 2021–22



Connecting Australians

Enriching our communities

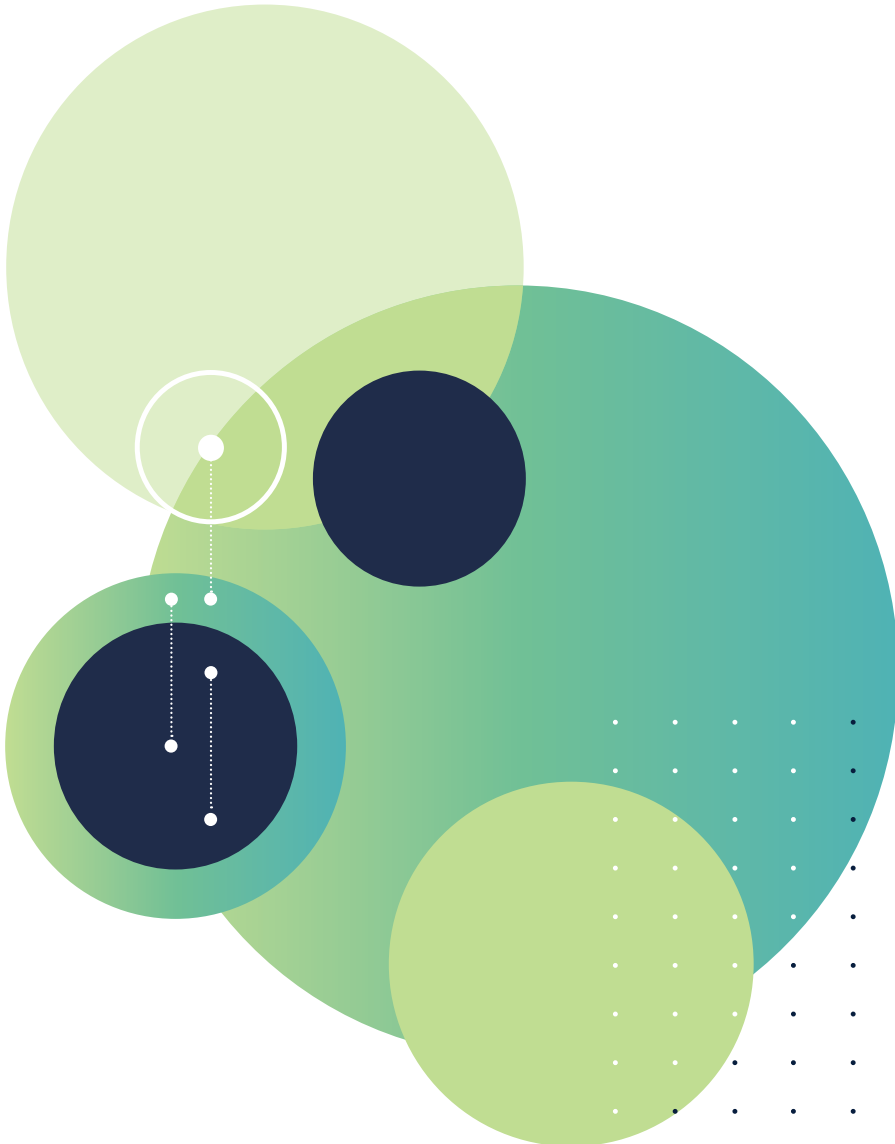
Empowering our regions



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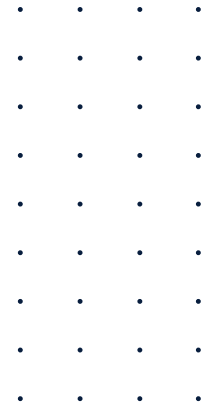
# Annual Report 2021–22



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# Letter of transmittal



**Australian Government**

**Department of Infrastructure,  
Transport, Regional Development,  
Communications and the Arts**

The Hon Catherine King MP  
Minister for Infrastructure, Transport, Regional Development and Local Government  
Parliament House  
CANBERRA ACT 2600

Dear Minister King

I am pleased to present the annual report for the Department of Infrastructure, Transport, Regional Development and Communications (the department, which has now been named the Department of Infrastructure, Transport, Regional Development, Communications and the Arts) for the year ended 30 June 2022.

The report has been prepared in accordance with section 46 of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)* for your presentation to the parliament.

In accordance with sections 39(1)(b) and 43(4) of the PGPA Act, this report includes the department's Annual Performance Statements and audited financial statements.

I certify:

- > in accordance with sections 17AG of the *Public Governance, Performance and Accountability Rule 2014 (PGPA Rule)*, that there were no significant issues of non-compliance notified during the reporting period, and
- > in accordance with sections 10 and 17AG of the PGPA Rule, that fraud risk assessments and fraud control plans have been prepared and implemented; the department has in place appropriate fraud prevention, detection, investigation, recording and reporting mechanisms which meet the specific needs of the department; and all reasonable measures have been taken to deal appropriately with fraud relating to the department.

This report also includes information required by:

- > section 24Y of the *Australian Broadcasting Corporation Act 1983*
- > paragraph 5.15(2) of the *Airports (Environment Protection) Regulations 1997*
- > section 29 of the *Air Navigation Act 1920*
- > section 20 of the *Aircraft Noise Levy Collection Act 1995*
- > section 311A of the *Commonwealth Electoral Act 1918*
- > section 516A of the *Environment Protection and Biodiversity Conservation Act 1999*
- > section 16 of the *Local Government (Financial Assistance) Act 1995*

- > paragraph 11.1(ba) of the *Legal Services Directions 2017*
- > section 94 of the *National Land Transport Act 2014*
- > section 47 of the *Protection of Movable Cultural Heritage Act 1986*
- > section 19 of the *Public Lending Rights Act 1985*
- > section 43C of the *Special Broadcasting Service Act 1991*
- > section 85 of the *Telecommunication Legislation Amendment (Competition and Consumer) Act 2020*
- > section 20 of the *Telecommunication (Consumer Protection and Service Standards) Act 1999* and
- > schedule 2, Part 4 of the *Work Health and Safety Act 2011*.

I have copied this letter to: the Hon Michelle Rowland MP, Minister for Communications, the Hon Tony Burke MP, Minister for the Arts, the Hon Madeleine King MP, Minister for Northern Australia, the Hon Kristy McBain MP, Minister for Regional Development, Local Government and Territories, Senator the Hon Carol Brown, Assistant Minister for Infrastructure and Transport, and Senator the Hon Anthony Chisholm, Assistant Minister for Regional Development.

Yours sincerely

*Jim Betts*  
1 October 2022





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# PART 1

## Year in review

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# 2021–22 highlights

Throughout 2021–22 the department, in collaboration with our 29 portfolio entities, delivered more than \$13 billion worth of investments to support our objectives in our cities' and regions' major infrastructure, transport, communications and arts sectors, connecting and linking Australians, enriching our communities and empowering our regions.

## Results reported this year include



## Infrastructure investment



- > In 2021–22, the Australian Government funded 280 projects under the Black Spot Program, which received an Australian Government contribution of \$109.1 million. The Program targets road locations where crashes are occurring or are at risk of occurring. Projects funded under the Program include implementation of roundabouts, lighting, signage, road markings and pedestrian crossings at dangerous locations. Road crashes are a major cost to Australians every year. By funding projects at dangerous locations, the Program reduces the risk of crashes. Programs of this sort are very effective, saving the community many times the cost of the relatively minor road improvements that are implemented.
- > In 2021–22, over \$7.5 billion of Australian Government funding was released through the Infrastructure Investment Program (IIP), funding land transport infrastructure projects in all states and territories. Projects funded through the IIP that were completed in 2021–22 include: the Armadale Road Bridge in Western Australia (\$207.2 million), the North-South Corridor – Regency Rd to Pym St project in South Australia (\$147 million), the Bruce Highway – Rockhampton Northern Access Upgrade in Queensland (\$126.4 million), the New England Highway – Bolivia Hill Upgrade in New South Wales (\$98 million), the Northern Australia Roads Program – Arnhem Highway – Adelaide River Floodplain Upgrade in the Northern Territory (\$62.3 million), the Hume Freeway – O’Herns Road Interchange Upgrade in Victoria (\$50 million), the State Road Network Enhancements project in Tasmania (\$8 million), and the Canberra Light Rail – new Mitchell Light Rail Stop in the ACT (\$6 million).
- > In 2021–22, construction was completed on 2 key major projects with Australian Government investment:
  - The Bruce Highway – Caloundra Road to Sunshine Motorway project (\$745.6 million) in Queensland. Upgrading a 7 kilometre section of the Bruce Highway between the Caloundra Road interchange and the Sunshine Motorway, and providing a 6 lane divided highway that delivers critical safety benefits to motorists; improved efficiency; and reduced traffic congestion and travel time.
  - The Northern Road project (\$1.23 billion) in Western Sydney (New South Wales). Around 35 kilometres of road upgraded, and delivering: a 4 lane divided road; bus priority measures at all intersections; and provision to extend bus lanes as growth and service demand requires.



## Transport connectivity



- > In late 2021, the Australian Rail Track Corporation (ARTC) executed Collaborative Framework Agreements (CFA) for the design and delivery of civil engineering works on the Inland Rail between Narromine and Southern Queensland. This procurement approach is resulting in smaller works packages being developed under each CFA, enabling a broader range of suppliers and contractors the opportunity to participate on Inland Rail, while maximising local jobs and procurement. CFAs have been established with:
  - Accoina CPB JV for the Narromine to Narrabri Project
  - Freight Connect JV Stage 2 Narrabri to North Star, North Star to NSW/Qld Border, and southern section to Whetstone of the Border to Gowrie projects
  - BHQ JV for the northern section of the Border to Gowrie Project (Whetstone to Gowrie)
  - Martinus Rail for the design and delivery of the Rail Corridor Program.
- > In March 2022, ARTC appointed Regionerate Rail as the preferred proponent for the Gowrie to Kagaru sections of Inland Rail, with the detailed design process underway for around 128 kilometres of new and upgraded rail track through the most geographically challenging section of Inland Rail.
- > Construction commenced on the Western Sydney International (Nancy-Bird Walton) Airport passenger terminal in November 2021 and the runway in March 2022, with the project one-third complete and on track to be operational by late 2026. Procurements on all major construction works packages and the technology framework are finalised, meaning that peak construction will be able to occur during the 2022-23 financial year. To date more than \$100 million has been contracted to Western Sydney businesses, including small and medium enterprises, as well as family and Indigenous businesses, delivering significant benefits to the local economy and supporting employment in the region.
- > The Moorebank Intermodal Company has been transformed into the National Intermodal Corporation (National Intermodal) to deliver the Australian Government's significant investment in intermodal terminals, supporting open market access and improving freight productivity. National Intermodal will support the planning, delivery and operation of the Australian Government's significant investment in intermodal terminals in Victoria and Queensland to service Inland Rail.
- > Early in 2022, infrastructure and transport ministers from all jurisdictions agreed that an Automated Vehicle Safety Law (AVSL) and regulator will be implemented through Commonwealth law.

This will deliver a nationally consistent regulatory approach and will enable the safe operation of automated vehicles on public roads across Australia. The Office of Future Transport Technology (OFTT) worked closely with states and territories as well as the National Transport Commission to support ministers in reaching this decision. They will continue this constructive engagement during development of drafting instructions for the proposed AVSL. The OFTT has also continued contributing to other elements of the future automated vehicle regulatory framework, including an intergovernmental agreement and complementary state and territory law amendments.

- > The department led the Australian delegation in negotiations at the 9th, 10th and 11th virtual meetings of the International Maritime Organization (IMO) Intersessional Working Group (ISWG) on the reduction of greenhouse gas emissions from ships (ISWG-GHG 9, 10 and 11). More than 400 delegates from 174 member states, peak maritime industry bodies and non-governmental organisations participate in these meetings, to progress detailed work on global shipping emissions measures. The department also participated at the 77th and 78th meetings of the decision-making IMO Maritime Environment Protection Committee that agreed a suite of energy efficiency measures to reduce emissions from international shipping proposed by the ISWGs. Australia with Japan, Norway and the European Commission led the development of draft fuel lifecycle emission guidelines to incentivise the uptake of low and zero-carbon marine fuels, which have received significant support from both a large number of member states and the global shipping industry.
- > The department facilitated the introduction of 2 new national vehicle standards for Advanced Emergency Braking (AEB) in new light vehicles, which were signed in October 2021. Implementing this new safety technology in passenger cars and light commercial vehicles is estimated to save 581 lives, and prevent 20,433 serious and 73,340 minor injuries. Vehicle technology plays an important role in improving road safety in Australia. While AEB technology has been on the market for a number of years, it is now able to reliably detect collisions with other vehicles and with pedestrians.
- > The Bureau of Infrastructure and Transport Research Economics (BITRE) won the Intelligent Transport System (ITS) Australia Excellence in Transport Data Award for the National Freight Data Hub prototype website. The prototype website provides better access to existing government data, as well as insights and visualisations to answer enduring freight questions such as what freight is being moved, when and where. Going forward, the Hub will provide leadership and innovation to connect freight data users and build data skills and capability. Establishing the Hub is a Commonwealth action under the National Freight Supply Chain Strategy.

## Aviation



- > The department delivered more than \$5.6 billion to the aviation sector throughout the COVID-19 pandemic as at 30 June 2022. This funding helped the industry to maintain essential air connectivity, preserve critical aviation capacity and protect supply chains. It allowed our airlines and airports to resume their international and domestic operations as international border restrictions ease.
- > The Aviation Recovery Framework was released on 20 December 2021. The framework outlines the Australian Government's response to COVID-19 by supporting operations and jobs through the most severe phases of the crisis and details how the government will boost recovery, in line with the National Plan to transition Australia's National COVID-19 Response. It also sets out new policies to reposition aviation post-COVID-19 so as to ensure a competitive, safe and secure aviation sector that meets the needs of Australians now and into the future.
- > The Regional Airline Network Support Program (RANS) continued to support critical air services connecting regional Australia to freight, medical testing, supplies and essential personnel. As at 30 June 2022, 1,600,568 passengers have been carried on 68,294 RANS-supported flights.
- > The Domestic Aviation Network Support Program (DANS) continued to help maintain minimum connectivity within Australia. A total of 1,301,152 passengers have been carried on 21,931 DANS-supported flights.
- > The Tourism Aviation Network Support Program (TANS) continued to reduce the costs for tourists flying to key tourism regions hit hard during COVID-19. Over 800,000 discount TANS fares were sold and 95% of tickets used.
- > Eighty-nine successful projects were announced under round 2 of the Regional Airports Program, receiving \$29.6 million in grants.
- > The department provided \$304 million to Australia's 2 international passenger airlines under the International Aviation Support Program (IAS) to enable the timely resumption of commercial operations following the relaxation of COVID-19 pandemic border restrictions.
- > The department also played a critical role in supporting COVID-19 border measures through the administration of passenger caps under the Air Navigation Regulation 2016. By assisting whole-of-government coordination and information sharing, these passenger caps alleviated pressure on state hotel quarantine programs.



## Growth in our cities and regions



- > On 21 March 2022, the Australian Government, Queensland Government and Council of Mayors South East Queensland (SEQ) signed the SEQ City Deal, which is focused on supporting industry and businesses, improving connectivity, and enhancing the region's liveability. The Deal demonstrates a shared commitment between the 3 levels of government to transform the future of SEQ and invest \$1.8 billion across the region. Deal partners are developing an Implementation Plan for delivery by the end of 2022. The Implementation Plan will outline how commitments will be delivered, funding arrangements and milestones for delivery.
- > Significant progress was made on the Australian Government's \$130 million investment in the relocation of the University of Tasmania's campus closer to the Central Business District, with the Library and Student Experience building at the Inveresk Precinct opening in February 2022. This is the first of 3 major buildings in the new precinct, with the broader relocation project on track for completion by 2024. This investment is being delivered through the Launceston City Deal.
- > The Community Development Grants program funded the \$25 million Western Cancer Centre project in Dubbo NSW, completed in August 2021. The centre provides residents in Western New South Wales access to critical cancer care, allowing patients to be closer to family.
- > The Shack Community Centre in Nambour, Queensland received \$500,000 under the Community Development Grants program towards the completion of a small gated community of self-contained, purpose-built houses for homeless men.
- > Now in their 36th year, the National Awards for Local Government are an annual celebration of the best Australian local government achievements. In 2021, the awards process was simplified and moved online, with winners chosen by popular vote. The digital delivery of the nominations was cost-effective and popular – with over 110 nominations and more than 6,000 votes cast. The 2022 National Awards for Local Government were opened online for nominations on 22 June 2022.
- > The department was a platinum sponsor of the Australian Local Government Association (ALGA) 2022 National General Congress, held from 19 to 22 June 2022 in Canberra. The department also worked closely with ALGA to tailor its session and coordinate the participation of the 2 ministers responsible for local government: the Hon Catherine King MP, Minister for Infrastructure, Transport, Regional Development and Local Government, and the Hon Kristy McBain MP, Minister for Regional Development, Local Government and Territories.

The event brought approximately 1,000 council representatives, associations and local staff together from across the country to network, attend seminars, and debate motions that inform ALGA's national policy agenda and strategic priorities.

- > Through the Northern Australia grants programs, almost \$80 million in funding was awarded to 30 organisations to expand, diversify or scale up their operations in Northern Australia. Over 100 businesses across the north are being provided access to the Strengthening Northern Australia Business Advisory Service. The Northern Australia Development Program and the Business and Community Grants Program are key initiatives under Our North, Our Future 2021–26.

## Territories



- > The department delivered a joint project with the Norfolk Island Regional Council to procure 2 vessels to deliver sea freight from ship to shore, creating a significantly safer and more efficient working environment, and addressing supply chain issues.
- > The department oversaw the smooth transition for Norfolk Island to a state partnership with the Queensland Government at the start of 2022, specifically for the delivery of health and education services.
- > The department introduced new ordinances to amend applied Western Australia fisheries laws on Christmas Island and the Cocos (Keeling) Islands, introducing new recreational fishing rules for the unique marine ecosystems of each territory.

## Water infrastructure



- > The department continued to partner with state and territory governments on the long-term planning of water infrastructure across Australia, with more than 150 water infrastructure projects and business cases in the National Water Grid Fund (NWGF). These projects are collectively delivering benefits for regional communities, including increased water security and resilience to drought.
- > Nine water infrastructure projects are now complete, supporting irrigation opportunities across 200,000 hectares of land and providing more than 53,000 megalitres of ongoing annual water allocation.
- > The National Water Grid Connections funding pathway identified an additional 7 packages comprising 40 new water infrastructure projects across Australia, which are boosting water security in our rural and regional communities.
- > Construction is progressing for Rookwood Weir in Queensland, the biggest water infrastructure project underway in Australia. This landmark project has brought hundreds of jobs to central Queensland. Once it is complete, it will yield up to 86,000 megalitres of water to support local farmers.

## Communications services



- > The department supported a statutory review of the News Media and Digital Platforms Mandatory Bargaining Code (the Code), which commenced in February 2022. The review is considering whether the Code is delivering outcomes consistent with its objective, which is to address bargaining imbalances between news businesses and digital platforms, thereby contributing to the sustainability of the news sector. The review is being led by Treasury and will report to the Treasurer and Minister for Communications in September 2022.
- > The department worked closely with the Department of Foreign Affairs and Trade in providing advice to the government on options to combat Russian state disinformation regarding the war in Ukraine.
- > The department worked with other federal agencies represented on the Electoral Integrity Assurance Taskforce to support the 2022 federal election, by providing information and advice to the Electoral Commissioner on potential threats to the election.
- > The department also supported the government to advance a program of work to reform media laws, including the release of the Media Policy Statement: Green Paper Response and Next Steps. The Statement included a number of measures to progress reforms to the media sector:
  - a \$7.3 million Television Research and Policy Development Program to support further engagement with industry and examine a range of issues associated with broadcasting technology
  - \$9.5 million to extend transitional support to eligible regional commercial broadcasters for 2022–23 and 2023–24
  - proposals relating to the provision of Australian content through a National Broadcasters Reporting Framework for Australian Content and a Streaming Services Reporting and Investment Scheme
  - a \$10 million Journalist Fund to support the provision of public interest journalism in Australia.
- > At the 27th Universal Postal Union (UPU) Congress Australia was re-elected to the Postal Operations Council of the UPU, and there was unanimous adoption of Australia's initiative to improve gender equality and empowerment of women in the UPU and the postal sector.

## Communications infrastructure



- > In December 2021, 72 MHz of critical low band spectrum was auctioned in the 850 MHz expansion band and 900 MHz band to support deployment of 4G and 5G networks across Australia. The wide area propagation characteristics of low band spectrum make this allocation particularly important for delivering and enhancing services to regional and remote Australia.

- > The Temporary Telecommunications Deployment Program funded under the Strengthening Telecommunications Against Natural Disasters (STAND) package has supported telecommunications carriers in procuring additional temporary facilities, which can be deployed during disasters to provide temporary coverage to impacted communities. A number of temporary facilities acquired under STAND were deployed during the March 2022 East Coast floods to impacted communities, including Road Muster Trucks and satellite fly-away kits.
- > The Sky Muster Satellite Service Deployment Program funded under STAND has enabled more than 750 NBN Sky Muster satellite services to be installed to date at evacuation centres and emergency service depots across Australia, at locations nominated by state and territory governments and their respective emergency service organisations. These satellite services are providing vital telecommunications redundancy for regional and remote communities at risk of disaster, and have already been used during disaster events in Victoria, Western Australia and Queensland.
- > The Regional Broadband Scheme was successfully implemented by the department and the Australian Communications and Media Authority (ACMA), in accordance with legislative requirements. Payment of funds collected under the scheme to NBN Co for the first eligible financial year occurred in June 2022.

## Creative and cultural sectors



- > We continued to support the cultural and creative sector as it recovers from the effects of COVID-19, including implementation of a targeted support package of an additional \$500 million.
- > The \$200 million Restart Investment to Sustain and Expand (RISE) fund has supported 541 projects across the arts and entertainment sector, rebuilding confidence amongst investors, producers and consumers. These projects are expected to generate around 213,000 jobs and reach audiences of around 55 million.
- > There was strong activity in the screen industry in Australia during 2021–22, with thousands of jobs available for Australian creatives and the businesses that support film and television productions. In 2021–22, the department processed approximately 110 final applications to the Location Offset and the Post, Digital and Visual Effects Offset, providing a total rebate of over \$87 million. Additionally, the department provided \$60 million to 15 productions attracted to film in Australia by the Location Incentive.
- > The COVID-19 Arts Sustainability Fund has provided 'last resort' funding assistance of \$53.5 million through 28 grants to 17 significant Australian Government funded arts organisations, including Opera Australia, the National Institute of Dramatic Art and the Melbourne Symphony Orchestra, at imminent risk due to COVID-19.

- > The National Cultural Heritage Account assisted Australian cultural institutions to acquire a number of historically significant objects. The Account assisted the National Museum of Australia to acquire 2 objects: the History of Australia wooden billiard table – a unique example of 1880s design, manufacture and craftsmanship through its ornate depiction of Australia’s early history including colonial conflict, gold mining, wildlife, flora and fauna – and a 1912 McDonald oil tractor, one of the earliest examples of agricultural tractors manufactured in this country. The Account also assisted the Trafalgar Holden Museum to acquire a rare WW2 Holden anti-tank gun; the Narromine Aviation Museum to acquire an operational Jabiru aircraft showcasing Australia’s flight training and recreational aviation for over 3 decades; and the Queensland Art Gallery/Gallery of Modern Art to acquire a rare Indigenous bark painting by Charlie Numbulmore, increasing public accessibility of works relating to the Kimberley art movement of the 1960s.

# Secretary's review

**I am pleased to deliver the third annual report of the Department of Infrastructure, Transport, Regional Development and Communications. The department touches the lives of every Australian, every day. We have a national footprint with our people working in Canberra (Ngunawal Country), and in regional areas. We have a truly national perspective in our ambition to connect Australians, enrich our communities and empower our regions.**

Through 2021–22, the department continued to deliver against our 6 purposes:

- > Supporting an efficient, sustainable, safe and accessible transport system and supporting jobs through infrastructure investment
- > Improving living standards and facilitating economic growth in cities and regions, including Northern Australia
- > Supporting regional growth and resilience through building water infrastructure that improves water availability, connectivity, reliability and security for agricultural and other primary industry users
- > Providing governance frameworks and services to support communities in the territories
- > Enabling people in Australia to connect to effective, safe communications services and enabling investment in communications technologies, for inclusiveness and sustainable economic growth
- > Supporting sustainable and inclusive creative and cultural sectors, and protecting and promoting Australian content and culture.

We delivered against these purposes while also meeting, and responding to, the unique challenges presented by the ongoing COVID-19 pandemic.

The department is committed to:

**Connecting and linking all Australians** – Supporting reliable, safe and efficient aviation, shipping, road, rail, media and communications sectors. Designing the policy framework that supports the delivery of safe, secure, high-quality and accessible online environments and telecommunication services for all Australians no matter where they live. Facilitating freight and passenger movement, and connecting Australian businesses and consumers with domestic and international markets.

**Enriching our communities** – Creating productive, liveable and vibrant cities and regions. Supporting a thriving arts sector and embedding Australian stories and identity in our cultural experiences. Protecting and celebrating Aboriginal and Torres Strait Islander culture, heritage and language. Enabling communities to access local voices and stories, and ensuring a safe, rich and trusted digital environment for all Australians.

**Empowering our regions** – Stimulating growth, creating jobs and maximising economic opportunities and community amenities, across regional Australia. Supporting good governance and better access to services in the territories, increasing water capacity in our regions to support sustainable economic development, infrastructure, tourism and agriculture. Creating opportunities for people to access reliable phone and internet services so they have choices about where to live and work, and growing equality of opportunity.

Our 2021–22 Annual Report showcases how we delivered across one of the most diverse portfolios in the Australian Public Service. We supported the Australian Government’s reform and recovery agenda. We delivered respectful and meaningful engagement across all levels of government, with our 7 ministers, 29 portfolio entities and key industry stakeholders.

**Jim Betts**

Secretary



# Financial performance

The department's activities involve the use of assets, liabilities, revenue and expenses controlled or incurred by the department in its own right. Administered activities involve management or oversight by the department, on behalf of the Australian Government, of items controlled or incurred by the Australian Government.

This section should be read in conjunction with the department's audited financial statements in Part 5 of this report.

## Departmental finances

The department reported a surplus of \$9.8 million in 2021–22, which equates to an operating surplus of \$26.4 million after adjusting for depreciation and amortisation, and lease payments under the Australian Accounting Standard AASB 16 Leases. The surplus is largely due to an underspend for the Per- and Polyfluoroalkyl Substances (PFAS) taskforce measure and the effect of an increase in the 10-year government bond rate on the long service leave balance as at 30 June 2022.

Changes to the Statement of Financial Position (Balance Sheet) are mainly due to an increase in appropriations receivable as a result of the operating surplus and a decrease in lease liabilities associated with property leases under AASB 16.

**Table 1.1 Summary of departmental financial performance and position (\$million)**

	2020–21	2021–22	Change from last year
Revenue from government	366.8	414.3	47.5
Own-source revenue	16.3	15.2	(1.1)
Gains	0.2	0.3	0.1
<b>Total income</b>	<b>383.3</b>	<b>429.8</b>	<b>46.5</b>
Employee and supplier expenses	329.5	376.0	46.5
Grants and contributions	9.1	7.9	(1.2)
Depreciation and amortisation	35.9	38.3	2.4
Other expenses	2.3	2.5	0.2
<b>Total expenses</b>	<b>376.8</b>	<b>424.7</b>	<b>47.9</b>
Changes in asset revaluation reserve	–	4.6	4.6
<b>Surplus (Deficit) attributable to the Australian Government</b>	<b>6.5</b>	<b>9.8</b>	<b>(3.3)</b>
Plus non-appropriated depreciation and amortisation expenses	35.9	38.3	2.4
Minus principal repayments — leased assets	(21.1)	(21.7)	(0.6)
<b>Operating result (Loss) attributable to the agency</b>	<b>21.3</b>	<b>26.4</b>	<b>5.1</b>
Financial assets (A)	168.3	182.1	13.8
Non-financial assets (B)	235.8	237.4	1.6
Liabilities (C)	226.2	210.8	(15.4)
<b>Net assets — A + B - C</b>	<b>177.9</b>	<b>208.7</b>	<b>30.8</b>

## Administered finances

Total administered expenses of \$11.5 billion represent an increase of \$703.8 million from last year, mainly due to an increase in grant expenditure which was partially offset by a reduction in subsidy expenses. Administered expenses reported by the department do not include funds paid to states and territories under National Partnership Agreements, which are reported by the Department of the Treasury.

Grant expenses increased by \$1.1 billion due to a government decision to bring forward payments under the Local Government Financial Assistance Grants program from 2022–23 and a grant provided to NBN Co to upgrade the NBN fixed wireless network with benefits to both fixed wireless and satellite users.

Subsidy expenses decreased by \$626.6 million mainly due to fewer payments made to the aviation sector as the airline industry began to recover from the COVID-19 pandemic.

Concessional loan expenses increased by \$82.9 million due to the Northern Australia Infrastructure Facility (NAIF) concessional loans. Amendments to the Administrative Arrangements Order (AAO) on 2 July 2021 transferred responsibility for reporting of the NAIF loans from the Department of Industry, Science, Energy and Resources.

Major expense items reported by the department in 2021–22 were:

- > Local Government Financial Assistance Grant payments (\$3.5 billion)
- > Payments to corporate Commonwealth entities (\$2.1 billion)
- > Regional Broadband Scheme (RBS) (\$731.9 million)
- > Local Roads and Community Infrastructure Program (\$597.7 million)
- > Roads to Recovery (\$499.9 million)
- > Upgrading the NBN fixed wireless and satellite network (\$480 million).

Administered income decreased by \$363.7 million, predominantly driven by a loan principal repayment made by NBN Co against their loan facility resulting in lower interest recognised on the loan. In addition, no fees were charged for recovery costs for the preparation of the Western Sydney Airport site as the original government measure terminated in 2020–21.

Assets administered on behalf of the Australian Government decreased by \$3.3 billion. This was mainly due to loan principal repayments of \$6.8 billion, against the NBN loan facility offset by increases in the fair value of administered investments by \$2.9 billion.

Administered assets held for sale reduced by \$265.4 million due to the sale of the land held at Bringelly in Western Sydney.

Administered liabilities increased by \$645.3 million mainly due to the recognition of the loan commitment provision for the NAIF loans and an estimated payment for the eligible funding recipient, NBN Co, under the RBS for the full financial year.

The RBS started on 1 January 2021. Therefore, the figures in the 2020–21 financial year included an estimated payment for 6 months only.

**Table 1.2 Summary of administered financial performance and position (\$million)**

	2020–21	2021–22	Change from last year
Taxation revenue	14.8	34.2	19.4
Non-taxation revenue	1,197.7	791.8	(405.9)
Gains	6.0	28.9	22.9
<b>Total income</b>	<b>1,218.5</b>	<b>854.8</b>	<b>(363.7)</b>
Employee and supplier expenses	576.0	602.3	26.3
Subsidies	2,459.3	1,832.7	(626.6)
Grants	5,659.9	6,800.2	1,140.3
Depreciation and amortisation	56.9	50.9	(5.9)
Payments to corporate Commonwealth entities	2,060.4	2,116.6	56.2
Concessional loans	–	82.9	82.9
Other expenses	18.2	48.8	30.6
<b>Total expenses</b>	<b>10,830.7</b>	<b>11,534.5</b>	<b>703.8</b>
Financial assets (A)	51,256.3	47,933.6	(3,322.6)
Non-financial assets (B)	840.7	913.4	72.7
Assets held for sale (C)	265.4	–	(265.4)
Liabilities (D)	976.0	1,621.3	645.3
<b>Net assets — A + B + C - D</b>	<b>51,386.4</b>	<b>47,225.7</b>	<b>(4,160.6)</b>





# PART 2

## Departmental overview

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# Departmental overview

## Ministers

From 1 June 2022 to 30 June 2022, the department was accountable to the following ministers:

- > The Hon Catherine King MP, Minister for Infrastructure, Transport, Regional Development and Local Government
- > The Hon Michelle Rowland MP, Minister for Communications
- > The Hon Tony Burke MP, Minister for the Arts
- > The Hon Madeleine King MP, Minister for Northern Australia
- > The Hon Kristy McBain MP, Minister for Regional Development, Local Government and Territories
- > Senator the Hon Carol Brown, Assistant Minister for Infrastructure and Transport
- > Senator the Hon Anthony Chisholm, Assistant Minister for Regional Development

From 23 May 2022 to 1 June 2022, the department was accountable to the Hon Richard Marles MP, Deputy Prime Minister, under interim arrangements following the federal election.

From 1 July 2021 to 23 May 2022, the department was accountable to the following ministers:

- > The Hon Barnaby Joyce MP, Deputy Prime Minister and Minister for Infrastructure, Transport and Regional Development
- > The Hon David Littleproud MP, Minister for Agriculture and Northern Australia
- > The Hon Paul Fletcher MP, Minister for Communications, Urban Infrastructure, Cities and the Arts
- > Senator the Hon Bridget McKenzie, Minister for Regionalisation, Regional Communications and Regional Education
- > The Hon Scott Buchholz MP, Assistant Minister for Road Safety and Freight Transport
- > The Hon Kevin Hogan MP, Assistant Minister to the Deputy Prime Minister and Local Government
- > The Hon Nola Marino MP, Assistant Minister for Regional Development and Territories.



## Accountable authority

Simon Atkinson, Secretary of the Department of Infrastructure, Transport, Regional Development and Communications, was the department's accountable authority for the period of this report.

## Role and functions

The department's role is to achieve our purposes and deliver results through:

### **Providing strategic policy advice**

We provide the Australian Government with high-quality, strategic options and policy advice on infrastructure, Northern Australia and transport, regional development, cities, territories, communications, arts and related cultural matters. Our advice is evidence-based and informed by research, consultation, analysis and broader government objectives. We identify trends, gaps and emerging issues and risks in markets and society so as to provide high-quality strategic options and policy advice.

### **Delivering programs and services**

We deliver efficient and effective programs and services to achieve the government's policy outcomes. We adhere to high standards of integrity and public administration. We seek to continuously balance risk and opportunity to achieve better outcomes.

### **Delivering and administering fit-for-purpose regulation**

We administer portfolio legislation efficiently and effectively by taking a risk-based, collaborative and data-driven approach to reviewing and shaping our regulatory settings. We work to continuously improve our regulatory performance and we seek to ensure our regulation incentivises appropriate investment and is fit-for-purpose now and into the future.

## Mapping our purposes to outcomes and programs

We worked to achieve our 6 purposes through 6 outcomes and 10 programs as outlined in the 2021–22 Corporate Plan. This relationship is mapped in Figure 2.1.

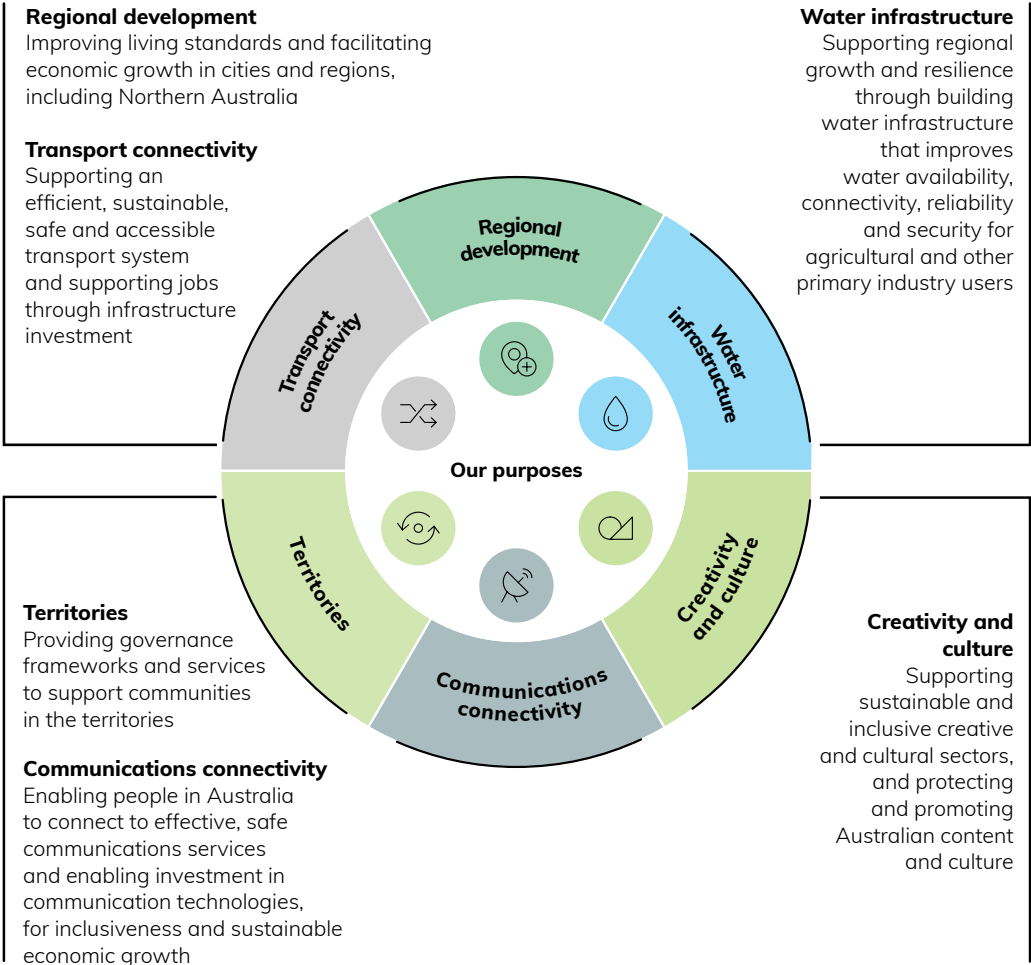
Figure 2.1 Mapping purposes, outcomes and programs

# Connecting Australians + Enriching our communities + Empowering our regions

## Our role

Our work connects and enriches every Australian community, underpins our economy and society, and empowers our regions, through the provision of strategic policy advice to government, delivery of fit-for-purpose regulation, programs, projects and services for infrastructure, transport, communications and the arts sectors, supporting our regions, our cities and our territories.

## Our purposes



## Our outcomes

### Outcome 1



Improved infrastructure across Australia through investment in and coordination of transport and other infrastructure

1.1 Infrastructure Investment

### Outcome 2



An efficient, sustainable, competitive, safe and secure transport system for all transport users through regulation, financial assistance and safety investigations

2.1 Surface Transport  
2.2 Road Safety  
2.3 Air Transport

### Outcome 3



Strengthening the sustainability, capacity and diversity of Australia's cities and regions including through facilitating local partnerships between all levels of government and local communities; through investment in water infrastructure and measures that stimulate economic growth; and providing grants and financial assistance

3.1 Regional Development  
3.2 Local Government  
3.3 Cities

### Outcome 4



Good governance and service delivery in the Australian territories including through the maintenance and improvement of the laws and services for non-self-governing territories, and the overarching legislative framework for self-governing territories

4.1 Services to Territories

### Outcome 5



Promote an innovative and competitive communications sector, through policy development, advice and program delivery, so all Australians can realise the full potential of digital technologies and communications services

5.1 Digital Technologies & Communications Services

### Outcome 6



Participation in, and access to, Australia's arts and culture through developing and supporting cultural expression

6.1 Arts & Cultural Development

# Executive

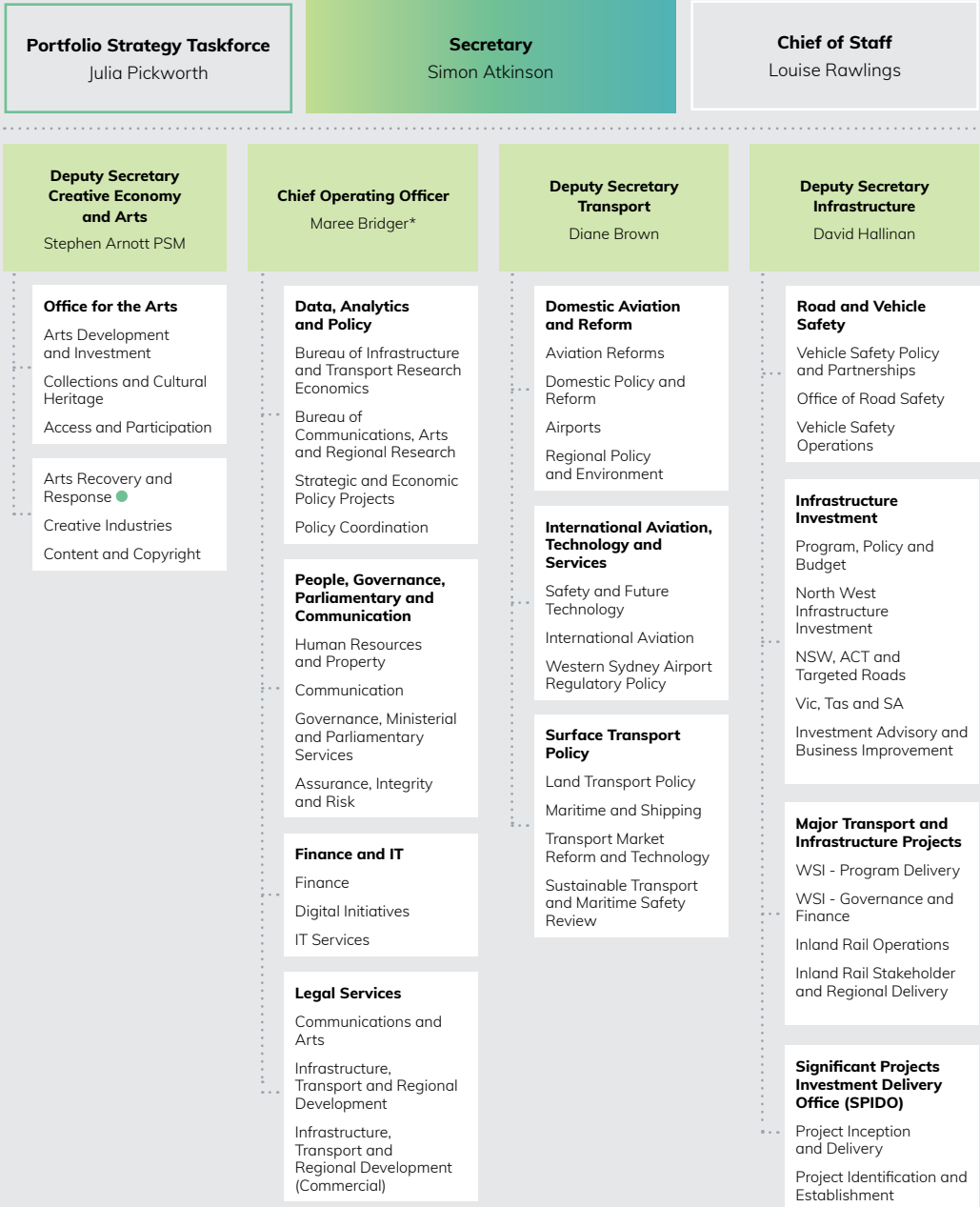
Members of our Executive team from 1 July 2021 to 30 June 2022:

Name	Position
Simon Atkinson	Secretary
Maree Bridger	Acting Chief Operating Officer (from 3 January 2022)
Christine Dacey	Chief Operating Officer (to 3 January 2022)
David Hallinan	Deputy Secretary, Infrastructure
Diane Brown	Deputy Secretary, Transport
Dr Rachel Bacon	Deputy Secretary, Regional, Cities and Territories
Marisa Purvis-Smith	Deputy Secretary, Water Infrastructure Chief Executive Officer, National Water Grid Authority
Richard Windeyer	Deputy Secretary, Communications and Media
Dr Stephen Arnott PSM	Deputy Secretary, Creative Economy and the Arts

# Organisational structure

As at 30 June 2022, the department comprised 19 divisions organised into 7 groups.

Figure 2.2 Organisational chart at 30 June 2022





\* Denotes acting

● Taskforce



# The portfolio

Entities comprising the portfolio at 30 June 2022 are as follows:

## **Infrastructure**

- > Infrastructure Australia
- > National Capital Authority
- > North Queensland Water Infrastructure Authority

## **Transport**

- > Airservices Australia
- > Australian Maritime Safety Authority (AMSA)
- > Australian Transport Safety Bureau (ATSB)
- > Civil Aviation Safety Authority (CASA)
- > National Faster Rail Agency
- > National Transport Commission
- > Northern Australia Infrastructure Facility

## **Communications**

- > Australian Broadcasting Corporation (ABC)
- > Australian Communications and Media Authority (ACMA)
- > Special Broadcasting Service (SBS)

## **Arts**

- > Australia Council
- > Australian Film, Television and Radio School
- > Australian National Maritime Museum
- > Bundanon Trust
- > Creative Partnerships Australia
- > National Film and Sound Archive of Australia
- > National Gallery of Australia
- > National Library of Australia
- > National Museum of Australia
- > National Portrait Gallery of Australia
- > Screen Australia

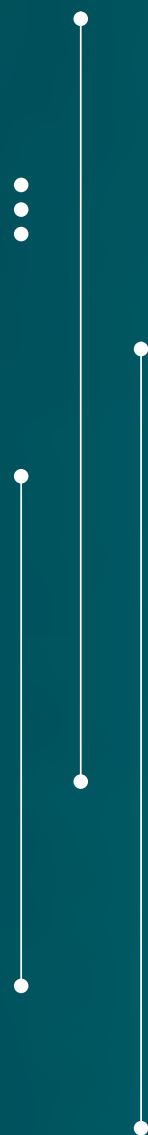
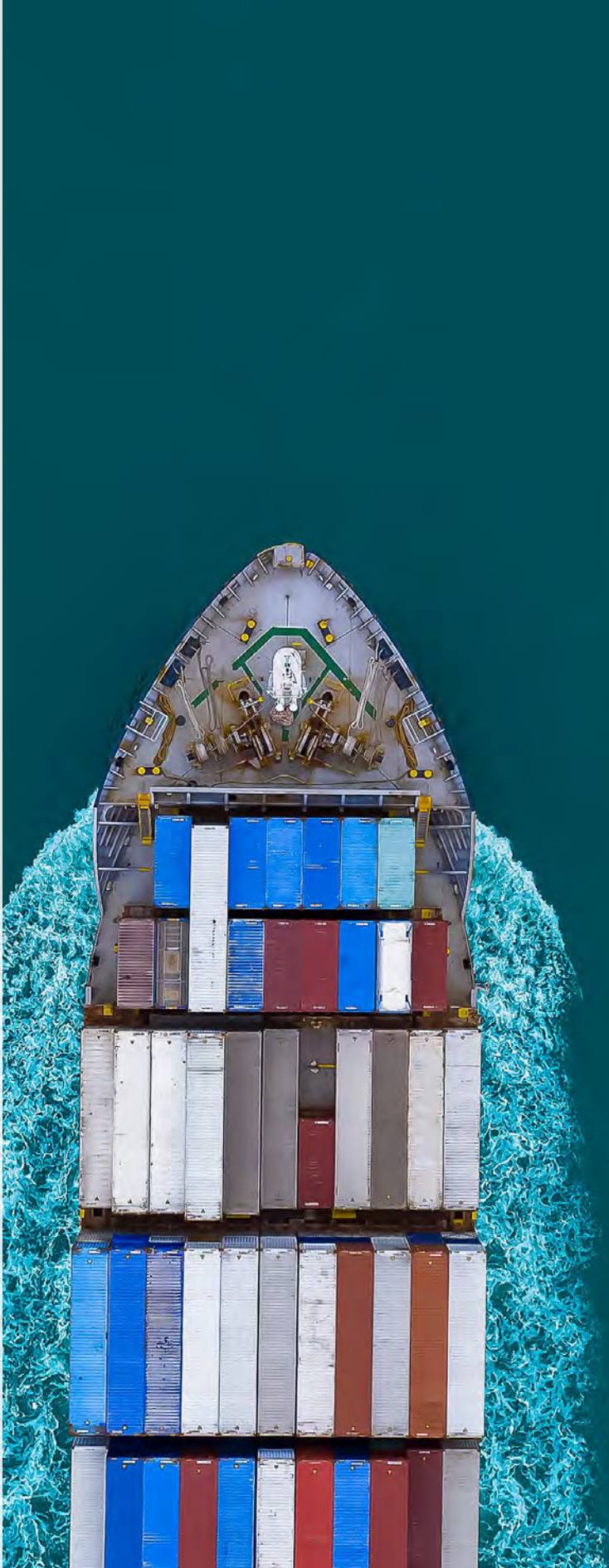
Australian Government business enterprises in the portfolio at 30 June 2022:

**Infrastructure**

- > Australian Rail Track Corporation Limited
- > National Intermodal Corporation Limited (formerly Moorebank Intermodal Company Limited)
- > WSA Co Limited

**Communications**

- > Australian Postal Corporation (Australia Post)
- > NBN Co Limited



# PART 3

## Management and accountability

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# Corporate governance

The department's governance framework enables us to practise good governance and meet our performance and accountability requirements.

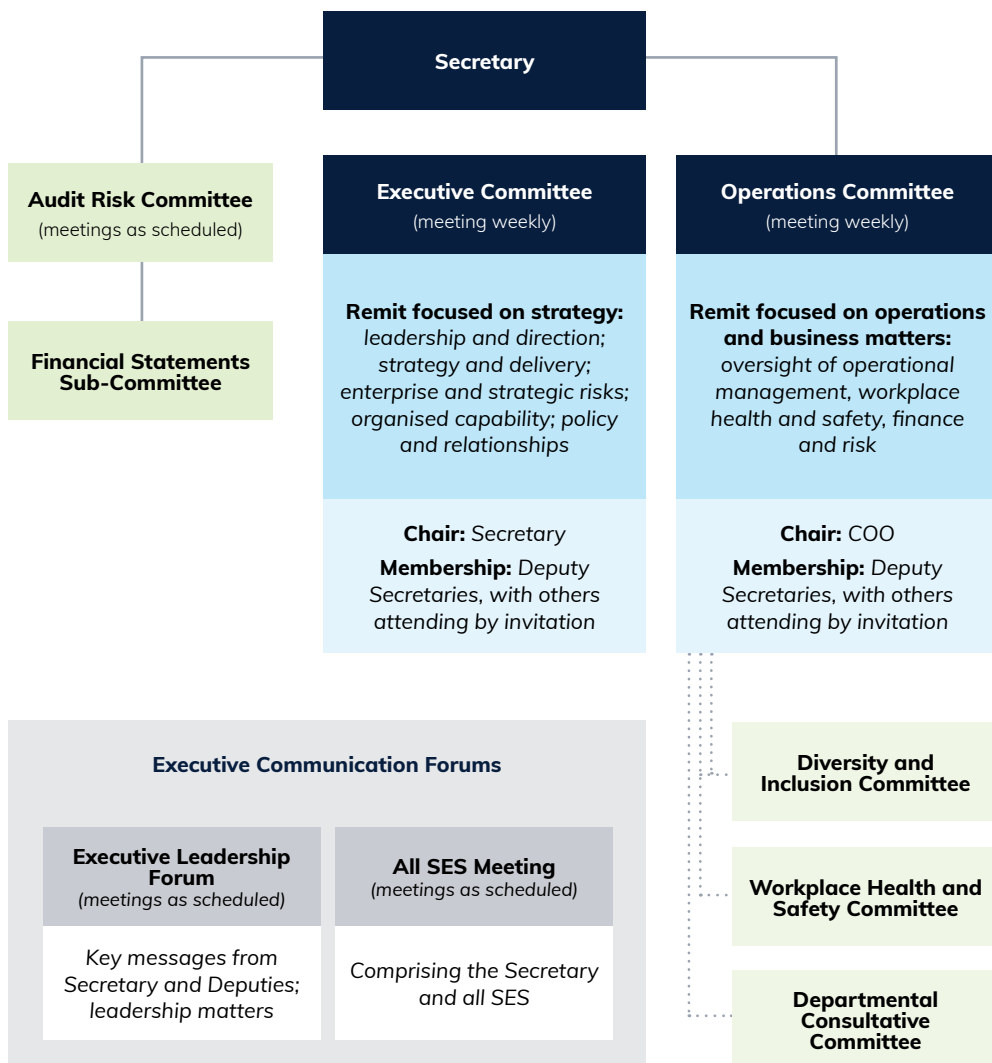
To us, good governance means:

- > providing strategic direction and supporting clarity of purpose
- > optimising performance to ensure objectives are achieved
- > managing strategic risks and organisational priorities
- > promoting integrity and accountability and providing assurance
- > building organisational capability and culture, and driving continuous improvement
- > enhancing outcomes by promoting engagement from a diversity of voices
- > ensuring our framework is fit-for-purpose and responsive to the operating environment.

## Governance committees

The department's governance committees oversee key areas of our strategy and operations, and support the Secretary in his role as the accountable authority. The department has 3 governance committees – the Executive Committee, Operations Committee, and Audit and Risk Committee – under which other committees sit.

Figure 3.1 Governance committee structure at 30 June 2022



## Executive Committee

The Executive Committee is chaired by the Secretary and members include all deputy secretaries. The committee provides a forum for the Executive to consider matters of strategic importance, culture, risk, direction setting and stakeholder relationship matters.

## Operations Committee

The Operations Committee comprises all deputy secretaries, and is chaired by the Chief Operating Officer. It is the decision-making body for day-to-day departmental business and operational matters.

The committee acts in an advisory capacity for those matters requiring a decision by the Secretary, including in the Secretary's role as the accountable authority. The committee will refer such matters to the Secretary with recommendations for the Secretary's consideration. The committee may also refer matters for further discussion to the Executive Committee, by exception, to better support the Secretary.

## Audit and Risk Committee

The Audit and Risk Committee provides independent advice to the Secretary on the appropriateness of the department's financial reporting, performance reporting, risk oversight and management, and systems of internal control.

The committee operates under a charter compliant with the requirements of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*. The charter is available at [www.infrastructure.gov.au/department/about/audit-risk-committee-charter](http://www.infrastructure.gov.au/department/about/audit-risk-committee-charter).

As at 30 June 2022, the independent chair of the Audit and Risk Committee is Mr Ian McPhee AO PSM. The committee comprises 4 independent members and 2 departmental observers. The Audit and Risk Committee met 6 times in 2021–22, with 2 of those meetings specifically related to performance reporting.

The department's Financial Statements Sub-Committee, chaired by Mr Geoff Knuckey, met 6 times during 2021–22.

Information on members, including qualifications and remuneration, is available at Appendix B: Audit and Risk Committee members.



## Planning and reporting

The 2021–22 Corporate Plan for the department was published in August 2021, and covers 4 years from 2021–22 to 2024–25.

Corporate planning informs the strategic annual business plans for each division. At regular times during each year, meetings are held between divisional Senior Executive Service (SES) employees and the Executive to discuss progress against the business plan.

## Risk management

The department has an integrated approach to risk, which is managed through monitoring and reporting as part of our business planning and review processes.

Risks are considered and managed at different levels. Enterprise and high-level program risks are reviewed regularly by the Executive, and monitored by the Audit and Risk Committee.

The department's Risk Management Policy and Framework provides guidance to staff on engaging with risk. The Policy and Framework was reviewed and updated in 2020–21 and aligns with the Commonwealth Risk Management Policy. The Policy and Framework includes risk appetite and tolerance statements, providing guidance on the level of risk the department is willing to accept or retain to achieve our purposes, outcomes and responsibilities.

A Risk Champion was appointed at the deputy secretary level in 2021–22 and is supported by the Chief Risk Officer. The Assurance, Integrity and Risk Branch established last year continues to bolster the department's audit and risk capability and enhance the department's positive risk and integrity culture.

All of our people are required to undertake an introduction to risk management training via e-learning. During the year the department developed a Risk Culture Maturity Model and a Risk Awareness Strategy to further enhance positive staff engagement with risk.

## Fraud control

The department does not tolerate fraud or corruption and we will take all reasonable steps to prevent, detect and respond to fraud and corruption. The department's fraud control framework is regularly reviewed and aligns with section 10 of the *Public, Governance, Performance and Accountability Rule 2014 (PGPA Rule)*. The department reviewed its fraud control plan and fraud risk assessment to take into account changes in structure, functions and activities. All of our people were required to undertake fraud awareness training via e-learning.

## Internal audit

The internal audit work program is a key component of the department's governance and integrity framework; and is developed annually by the Assurance, Integrity and Risk Branch in consultation across the department and using a risk-based approach. The work program is reviewed and endorsed by the department's Audit and Risk Committee and subsequently approved by the Secretary. The work program is formally reviewed mid-year to ensure it remains current and addresses emerging risks and priorities.

Internal audit is delivered in the department via a co-sourced model.

The Audit and Risk Committee monitored the progress of the work program during the year. This included monitoring the implementation of agreed recommendations from completed audits, both internal and external.

## Ethical standards

The department prioritises good governance, and continues to maintain high standards of integrity and ethics. All of our people are required to uphold the APS Values, Employment Principles and Code of Conduct, and Our Values – being respectful, informed, collaborative, adaptive and accountable.

In 2021–22, we conducted our annual formal declaration of personal interests process for SES employees. Identified non-SES employees were also required to complete a declaration, due to the nature and sensitivity of their work. Throughout the year, employees were regularly reminded to consider their personal circumstances and complete a declaration if necessary.

Key management personnel also submitted their related party disclosures as required by the Australian Accounting Standard for Related Party Disclosures (AASB 124).

## Information Publication Scheme

Under Part II of the *Freedom of Information Act 1982*, we publish information as part of the Information Publication Scheme. Our website includes our Freedom of Information (FOI) Information Publication Plan, which shows the information we publish in accordance with Information Publication Scheme requirements. We also publish our FOI Disclosure Log.

# External scrutiny

## Australian National Audit Office

In 2021–22, the Australian National Audit Office (ANAO) published 7 performance audit reports within the department's portfolio, including cross-entity audits:

- > COVID-19 Support to the Aviation Sector (tabled 22 June 2022)
- > Effectiveness of Public Sector Boards – Australian Film, Television and Radio School (tabled 16 June 2022)
- > Procurement by the National Capital Authority (tabled 2 June 2022)
- > Civil Aviation Safety Authority Planning and Conduct of Surveillance Activities (tabled 19 May 2022)
- > Human Biosecurity for International Air Travellers during COVID-19 (cross-entity; tabled 24 March 2022)
- > Australian Government Advertising: May 2019 to October 2021 (cross-entity; tabled 17 February 2022)
- > Management of International Travel Restrictions during COVID-19 (cross-entity; tabled 8 December 2021).

The reports are available on the ANAO's website: Performance audit reports | Australian National Audit Office ([anao.gov.au](http://anao.gov.au))

## Parliamentary scrutiny

During 2021–22, we contributed to more than 20 parliamentary committees of inquiry through submissions and by attending public hearings, including:

- > Senate Standing Committee on Rural and Regional Affairs and Transport – The future of Australia’s aviation sector, in the context of COVID-19 and conditions post pandemic
- > Senate Standing Committee on Legal and Constitutional Affairs – Social Media (Anti-Trolling) Bill 2022 [Provisions]
- > Senate Standing Committee on Rural and Regional Affairs and Transport – Australia’s general aviation industry
- > Select Committee on Social Media and Online Safety – Inquiry into Social Media and Online Safety
- > Standing Committee on Infrastructure, Transport and Cities – Inquiry into procurement practices for government-funded infrastructure

The department responded to over 32 inquiry questions on notice and more than 1,173 Senate Estimates questions.

The department also attended Senate Estimates hearings of the Environment and Communications Legislation Committee, the Rural and Regional Affairs and Transport Legislation Committee, and the Economics Legislation Committee.

Parliamentary inquiry details and Senate Estimates transcripts are available at [www.aph.gov.au](http://www.aph.gov.au).

# Human resources management

Our human resources management approach focuses on attracting and retaining the right people in the right roles at the right time. This approach ranges from the delivery of operational activities through to the development and implementation of strategic initiatives that support our workforce in achieving our objectives.

The COVID-19 pandemic continued to be a challenging time for all Australians, and the wellbeing, health and safety of our people has been a top priority of the department. Following emergency lockdowns in late-2021, the department made a sensible, safe and staged return to our usual workplace. Staff safety remains paramount and we will continue to take risk-mitigating measures as required. We are grateful for the adaptability, professionalism and resilience shown by all staff.

## Living our values

In 2021, the department engaged with over 2,500 staff through surveys, focus groups, leader-led sessions and drop-in sessions to identify the skills, capabilities, characteristics and behaviours that are valued across our department. Together we identified 5 values that encapsulate the behaviours and professional capabilities needed for our success:

- > **Collaborative** – we work together and with others across the system, to achieve our objectives and deliver for the Australian community
- > **Respectful** – we create diverse teams and a respectful and inclusive culture that supports high performance, innovation and the wellbeing of all people across the department
- > **Informed** – we have the expertise, knowledge and skills that we need to succeed, and we have good communication practices
- > **Adaptive** – we are constantly learning and adapting to improve what we do and we have corporate systems in place to support staff in a rapidly changing world
- > **Accountable** – we are rewarded and trusted to deliver, we are held accountable for the results and delivering with integrity, and we celebrate our success.

To embed the values across the department, we have developed a Living Our Values action plan which identifies 10 actions and 21 quick wins. We want to make sure that each person and team can see themselves in our values and feel that they and their contributions are valued and respected.

## People performance framework review

In 2021, we commenced a review of our People Performance Framework. The revised framework complements the department's values, the Learning Strategy and Leadership Framework.

Over 490 of our people participated in the consultation process which included an all-staff survey, focus groups and SES interviews.

The revised framework has 3 core objectives:

- > ongoing future-focused conversations
- > enabling our people to adapt and succeed into the future
- > working together on the right priorities to make a difference.

Along with the core objects, there are 4 principles:

- > conversations and careers
- > focused on strengths
- > simple and seamless
- > performance and innovation.

The revised framework, THRIVE @ Work, will be launched in 2022–23. It introduces change by:

- > enhancing manager capability through supporting materials and forums
- > providing clearer guidance on the application of our existing ratings through the use of rating personas and descriptors
- > placing a focus on strengths to enable managers to continually coach their people through ongoing conversations
- > introducing team-based THRIVE Check-ins in February and August (in addition to our individual November and May exchanges) to align individual and team priority objectives with departmental business planning.

## Recruitment

In 2021–22, recruitment activities increased by approximately 25% when compared to the 2020–21 financial year. This increase reflects the department's additional workload and responsibilities associated with government budget allocations in the past 12 months.

Recruitment activities included:

- > ongoing and non-ongoing engagements
- > internal promotions
- > promotions from other APS agencies
- > permanent and temporary transfers under section 26 of the *Public Service Act 1999*
- > non-ongoing contract extensions.

## Entry-level programs

As part of our Graduate Development Program, the department welcomed 49 new employees. These new employees began an intensive 11-month on-the-job program designed to develop core public service capabilities, develop leadership skills and build departmental capabilities. To assist the department in building a diverse workforce, the program includes graduates from the Generalist, Data, Digital, Economics and STEM streams. We also participated in the Indigenous Graduate Pathway Program.

The Graduate Development Program includes:

- > participation in 3 workplace rotations across a mix of policy, program, corporate and regulatory functions
- > participation in a tailored learning and development program, which includes completion of a Graduate Certificate in Public Administration or Graduate Certificate in Policy and Data through the University of Canberra.

In 2022, the department welcomed 29 University Vacation Employment Program participants to work with the department over a period of up to 12 weeks so as to gain an insight into the APS. Nineteen of the 29 participants were retained after the program concluded.

Concurrently with the University Vacation Employment Program, we welcomed 8 interns through the Australian Network on Disability's Stepping Into Program summer intake, and a further 8 interns through winter. This program is a national initiative that introduces skilled and talented university students with disability and creates a talent pipeline that actively builds diversity and inclusion.

We supported 2 participants through the Department of Education, Skills and Employment's Indigenous Australian Government Development Program and 2 participants through Service Australia's Indigenous Apprenticeships Program. These programs aim to significantly contribute to improving employment opportunities, experiences and outcomes for Aboriginal and/or Torres Strait Islander peoples in the APS.

Eight new employees were also welcomed through the Department of Finance's Career Starter Program and 2 through the Australian Taxation Office's APS HR School Leaver Program. This program is for young people who have completed a Year 12 Certificate or equivalent in the past 24 months to access a structured and whole-of-government entry-level program through to permanent employment in the APS.

## Terms and conditions of employment

### Enterprise agreement

The department's current Enterprise Agreement nominally expired on March 2019. As an alternative to enterprise bargaining for a new agreement, the department implemented a determination under subsection 24(1) of the *Public Service Act 1999* that provided non-SES staff with a 1.9% increase to base salary and allowances in March 2022. A previous determination provided increases to base salaries and allowances in March 2019, March 2020 and March 2021. The existing Enterprise Agreement thus continues to apply to non-SES staff past its nominal expiry date, ensuring that the terms and conditions of employment are preserved.

### Non-salary benefits provided to employees

We provide our employees with a range of non-salary benefits including those targeting health and wellbeing, support for professional and personal development, access to flexible work arrangements and a range of unpaid leave entitlements.

### Flexible work arrangements

While flexible work arrangements have long played a role in how the department delivers its work, the COVID-19 pandemic has seen flexible work arrangements increase across the department. As at 30 June 2022, 739 staff had a formal home based work arrangement. There are significant benefits associated with flexible work, including:

- > enhanced productivity and innovation
- > improved work–life balance
- > increased employee engagement, commitment and loyalty
- > reduced recruitment costs associated with separation rates
- > improved diversity and inclusion by facilitating favourable working arrangements.

The department has a suite of measures available to staff to enable them to work flexibly, including flex-time, part-time work arrangements, home-based work arrangements and compressed hours.

## Learning and development

We continued with the implementation of our 3-year learning strategy. The strategy aims to empower our people to learn, develop and grow their expertise through on-the-job experience and from each other. We emphasise building a culture of learning, deepening our expertise and knowledge of our specialist skills, and enabling our people to respond in a rapidly changing environment.



Taking on board the learnings from the ongoing effects of the COVID-19 pandemic and seeking to support our staff based in locations other than Canberra, we have continued to offer training on demand, and have made it accessible from anywhere. Adopting this way of working, we have shifted to building and delivering our programs through a hybrid learning model that incorporates both face-to-face and online learning.

In 2021–22, we continued our focus on developing leadership and core capability across all levels of the department through a range of pilot initiatives, face-to-face training, webinars and other online resources. To ensure all staff are informed of their key obligations, responsibilities and duties of their role within the department and as part of the APS, we have a staggered monthly rollout of our 7 mandatory e-learning modules for staff. These modules are required to be completed each year to support all staff in understanding their obligations and those of the department.

Mandatory e-learning modules:

- > Health, safety and wellbeing
- > Fraud awareness
- > Privacy awareness
- > Security awareness
- > Introduction to risk
- > Integrity in the APS
- > Information matters.

We have maintained a strong focus on engaging with our people to ensure that the learning and development opportunities provided by the department are fit-for-purpose and that we are addressing any learning barriers that may exist. We will continue this focus into 2022–23, and prioritise building and supporting the capability of our managers through the development of training packages.

## Diversity and inclusion

We continued to support for our Diversity and Inclusion Committee, Diversity and Inclusion Champion and 6 employee-led diversity networks, each of which is supported by a dedicated SES Champion:

- > Indigenous Staff Network
- > Disability and Allies Network
- > Cultural and Linguistic Diversity Network
- > Gender Equality Network
- > Pride and Allies Network
- > Mental Health and Wellbeing Network.

We provided access to structured face-to-face and eLearning opportunities, including cultural appreciation training and continued our association with peak professional organisations such as Diversity Council Australia, Pride in Diversity, and the Australian Network on Disability.

Following all staff consultation, we launched our Diversity and Inclusion Strategy 2021–2024 and developed a Mental Health and Wellbeing Framework. We also continued to implement our Aboriginal and Torres Strait Islander Employment and Retention Strategy 2020–2022. These strategies contribute towards a culture of inclusion and support our goals of seeing an increase in the representation of:

- > employees with disability in our workforce to 7% by 2025 as per the APS Disability Employment Strategy 2020–2025
- > Aboriginal and/or Torres Strait Islander employees in our workforce to 5% by 2024 consistent with the Commonwealth Aboriginal and Torres Strait Islander Workforce Strategy 2020–2024.

Our employment goals align with the APS Disability Employment Strategy 2020–2025 and the Commonwealth Aboriginal and Torres Strait Islander Workforce Strategy 2020–2024.

We have continued with the development of an 'Innovate' Reconciliation Action Plan, demonstrating our commitment to the national reconciliation journey and supporting government to achieve sustainable outcomes that close the gap between Aboriginal and/or Torres Strait Islander peoples and non-Indigenous Australians.

We maintained our commitment to the development of our employees by regularly acknowledging and celebrating events of significance and sharing opportunities and learnings.

## Disability reporting

Australia's Disability Strategy 2021–2031 is the national disability policy framework. This strategy replaces and builds on the first National Disability Strategy 2010–2020. It acts to ensure the principles underpinning the United Nations Convention on the Rights of Persons with Disabilities are incorporated into Australia's policies and programs that affect people with disability, their families and carers.

All levels of government will continue to be held accountable for the implementation of the strategy. Regular reporting will track if the strategy is improving the lives of people with disability. This reporting will ensure all levels of government are working together. There will also be independent evaluations of the strategy to see how well it is working.

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

## Human resource statistics

At 30 June 2022, the department had 1,907 employees (operative ongoing and non-ongoing). Women made up 60.0% of our workforce, and 13.1% of our employees were working part-time. Our employee separation rate during 2021–22 was 24.4%.

More employee statistics are provided at Appendix C: Employee statistics.

# Financial management

## Assets

The department is responsible for managing \$1.1 billion in non-financial assets, including right-of-use assets recognised under the Australian Accounting Standard for Leases, and assets recognised in the Administered Schedule of Assets and Liabilities.

The department administers a diverse range of assets, including but not limited to:

- > right-of-use assets and fit out for its office accommodation
- > buildings and infrastructure used to deliver essential services in the Indian Ocean Territories, Jervis Bay Territory and Norfolk Island
- > artworks held by Artbank
- > a collection of artworks by Sir Sidney Nolan
- > Regional Backbone Blackspot Program communications equipment
- > the National Institute of Dramatic Arts building
- > buildings, ruins, reserves and collections of cultural and historical significance on Norfolk Island
- > historic aircraft
- > phosphate mining lease rights on Christmas Island.

The department's assets management processes were effective. All administered assets were revalued during the 2021–22 financial year. The department also conducted a risk-based annual stocktake to ensure assets owned and controlled by the department are accurately recorded in the asset register.

## Purchasing

The department's procurement policies and processes during 2021–22 were consistent with the principles of the Commonwealth Procurement Rules and the PGPA Act. Appropriate controls are in place to ensure procurement activities are carried out in accordance with the rules and with legislative requirements.

The department undertakes competitive, non-discriminatory procurement processes, uses resources efficiently, effectively, economically and ethically, and makes decisions in an accountable manner. All procurement is undertaken in accordance with the core principle of value for money.

Information about significant procurement activities expected in 2021–22 is published on AusTender through the department's annual procurement plan. The plan is updated on an ongoing basis, when circumstances change.

## Consultants

The department engages consultants when specialist expertise or independent research, review or assessment is required. Decisions to engage consultants during 2021–22 were made in accordance with the PGPA Act and related regulations, including the Commonwealth Procurement Rules and relevant internal policies. Before engaging consultants, we take into account the skills and resources needed for the task, the skills available internally and the cost-effectiveness of engaging external expertise.

Annual reports contain information about actual expenditure on consultancy contracts. Information on the value of reportable consultancy contracts is available on AusTender.

During 2021–22, 125 new consultancy contracts were entered into, involving a total actual expenditure of \$17.9 million. In addition, 51 ongoing consultancy contracts were active during the period, involving a total actual expenditure of \$12.3 million.

The main categories under which consultants were engaged were:

- > legal services
- > auditing and accounting services
- > independent reviews
- > economic services
- > other professional services, including in relation to engineering, broadcasting, telecommunications and the arts.

**Table 3.1 Reportable consultancy contracts 2021–22**

	<b>Total</b>
Number of new contracts entered into during the period	125
Total actual expenditure on new contracts during the period (GST incl.)	\$17.9 million
Number of ongoing contracts that were entered into during a previous period	51
Total actual expenditure during the period on ongoing contracts (GST incl.)	\$12.3 million

Table 3.2 Top 5 consultancy suppliers (by total expenditure value) during 2021–22

	2021–22 expenditure (\$, including GST)	% 2021–22 total expenditure
CSIRO (Wildlife and Ecology)	3,805,716	13%
AECOM Australia Pty Ltd	1,929,877	6%
Ernst & Young	1,901,187	6%
Strategic Reform Pty Ltd	1,485,365	5%
PricewaterhouseCoopers	1,452,946	5%

## Non-consultancy contracts

Decisions to enter into arrangements for the purchase of goods and services during 2021–22 were made in accordance with the PGPA Act and related regulations, including the Commonwealth Procurement Rules and relevant internal policies.

Annual reports contain information about actual expenditure on non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on AusTender.

During 2021–22, 1,274 new non-consultancy contracts were entered into, involving total actual expenditure of \$208.9 million. In addition, 417 ongoing non-consultancy contracts were active during the period, involving total actual expenditure of \$672.3 million.

Table 3.3 Reportable non-consultancy contracts 2021–22

	Total
Number of new contracts entered into during the period	1,274
Total actual expenditure on new contracts during the period (GST incl.)	\$208.9 million
Number of ongoing contracts that were entered into during a previous period	417
Total actual expenditure during the period on ongoing contracts (GST incl.)	\$672.3 million

**Table 3.4 Top 5 non-consultancy suppliers (by total expenditure value) during 2021–22**

	<b>2021–22 expenditure (\$, including GST)</b>	<b>% 2021–22 total expenditure</b>
Telstra Corporation Limited	\$330,274,098	37%
Virgin Blue Airlines Pty Ltd	\$175,036,874	20%
Qantas Airways Limited	\$63,955,654	7%
Ventia Property Pty Ltd	\$32,121,781	4%
Concentrix Services Pty Ltd	\$15,704,702	2%

## Procurement initiatives to support small and medium enterprises and Aboriginal and/or Torres Strait Islander businesses

The department supports small business participation in the Australian Government procurement market. Small and medium enterprises and small enterprise participation statistics are available on the Department of Finance's website.

We continue to meet government policy requirements in terms of supporting small and medium enterprises in the following ways:

- > We advocate and comply with the Commonwealth Procurement Framework.
- > Our approach-to-market documents are clear and straightforward so as to help potential suppliers to produce a response that does not require extensive time and effort.
- > Our processes facilitate the payment of invoices on time, and our financial management information system identifies late payments so that remedies can be applied.
- > We use the Commonwealth Contracting Suite (CCS) for eligible procurements valued under \$200,000 (GST inclusive).
- > We implement the Indigenous Procurement Policy using the Australian Industry Participation policies and programs, noting that many Aboriginal and/or Torres Strait Islander businesses are small or medium enterprises.
- > Where procurements are considered low risk and their value is below the procurement threshold of \$80,000 (GST inclusive), a streamlined process is followed.
- > For procurements valued under \$10,000 (GST inclusive), we encourage the use of payment by credit card.

We recognise the importance of ensuring that small businesses are paid on time in accordance with the Supplier Pay On-Time or Pay Interest Policy and/or Payment Times Procurement Connected Policy.

The results of the Survey of Australian Government Payments to Small Business are published by the Department of the Treasury on its website.

The department supports the goals of the Indigenous Procurement Policy and we raise awareness of the policy with our portfolio entities, many of which are not bound by the policy. We have exceeded our 2021–22 portfolio target for supporting Aboriginal and/or Torres Strait Islander businesses. Further details are available on the National Indigenous Australians Agency website.

## Australian National Audit Office access clauses

No contracts of \$100,000 or more (inclusive of GST) were entered into during 2021–22 that did not provide for the Auditor-General to have access to the contractor's premises.

## Exempt contracts

No contracts during 2021–22 were exempted by the Secretary from publication on AusTender on the basis that it would disclose exempt matters under the *Freedom of Information Act 1982*.

## Grants

Information on grants awarded by the department during 2021–22 is published at [www.grants.gov.au](http://www.grants.gov.au)





Narlene Waddaman painting at Spinifex Hill Studio, 2019 / Photograph by Bobbi Lockyer.  
Image courtesy of FORM.







# PART 4:

## Annual performance statements

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# Statement of Preparation

I, Jim Betts, as the accountable authority of the Department of Infrastructure, Transport, Regional Development and Communications (the department, which has now been renamed the Department of Infrastructure, Transport, Regional Development, Communications and the Arts), present the 2021–22 performance statements of the department, as required under section 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

In accordance with subsection 16F(1) of the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule), these statements report on our performance for the year ended 30 June 2022, assessed against the purposes and measures published in the department’s 2021–22 Portfolio Budget Statements and Corporate Plan.

In my opinion, these performance statements accurately reflect the performance of the department, and comply with subsection 39(2) of the PGPA Act.

**Jim Betts**  
Secretary

26 September 2022

# Performance snapshot

A snapshot of the department's performance against its targets is given in Table 4.1.

This year we met 43 out of 61 performance targets. Additionally, there were 24 measures without targets.

**Table 4.1 Performance snapshot**

Purpose	Target met	Target partially met	Target not met	No target <sup>a</sup>	Data not available <sup>b</sup>
Transport connectivity	16	3	1	12	1
Regional development, Northern Australia and cities	3	4	1	1	
Water infrastructure	3	1			
Territories	2				
Communications connectivity	12	2		4	2
Creativity and culture	7	2		7	1
<b>Total</b>	<b>43</b>	<b>12</b>	<b>2</b>	<b>24</b>	<b>4</b>

- a. As per the 2021–22 Portfolio Budget Statements and 2021–22 Corporate Plan, in cases where COVID-19 impacts were likely to lead to unusual results, targets were omitted for the 2021–22 reporting cycle (see measures 23, 24, 67, 79 and 80). In addition, some measures do not have targets because they are demand driven (see measures 8, 59, 72, 76, 77, 78 and 82), or they are subject to external factors outside of the department's control (see measures 25 to 33, 39, 65, 68, 75). Similarly, some results may have been enhanced by a reduction in activity in some areas due to COVID-19. We continually review our performance measures against the PGPA Rule, ensuring they remain appropriate, relevant and free from bias.
- b. Results could not be determined based on available data at the time of reporting. Full data will be collected and reported when available in 2022–2023.

While navigating our way through the effects of the COVID-19 pandemic and natural disasters during 2021–22, we worked in collaboration with our key stakeholders, delivering essential ongoing functions, supporting affected communities and industries, and designing and implementing initiatives to achieve more positive long-term economic and social outcomes. We continue to coordinate and support the delivery of the Australian Government's recovery agenda, and are building resilience through the provision of strategic policy advice and fit-for-purpose regulation.

Together with our portfolio entities, we delivered more than \$13 billion of investments to support our objectives in the major infrastructure, transport, communications and arts sectors, connecting and linking Australians, enriching our communities and empowering our regions.

We continue to mitigate the economic and social effects of COVID-19 and extreme weather events, and our work and adaptability help to keep Australians safe through difficult times and circumstances. However, these factors have affected the department's ability to deliver on our purposes.

The 2021–22 Annual Report is the final reporting period for the water infrastructure purpose by the department. From 1 July 2022 the National Water Grid Authority (NWGA) transferred to the Department of Climate Change, Energy, the Environment and Water under Machinery of Government (MoG) changes.

## Structure of performance statements

The 2021–22 annual performance statements outline the progress the department has made towards achieving the purposes set out in the 2021–22 Portfolio Budget Statements and 2021–22 Corporate Plan.

The statements are organised into 6 sections corresponding to each of our purposes: transport connectivity; regional development, Northern Australia and cities; water infrastructure; territories; communications connectivity; and creativity and culture. To enable an accurate assessment of the department's performance, each section includes:

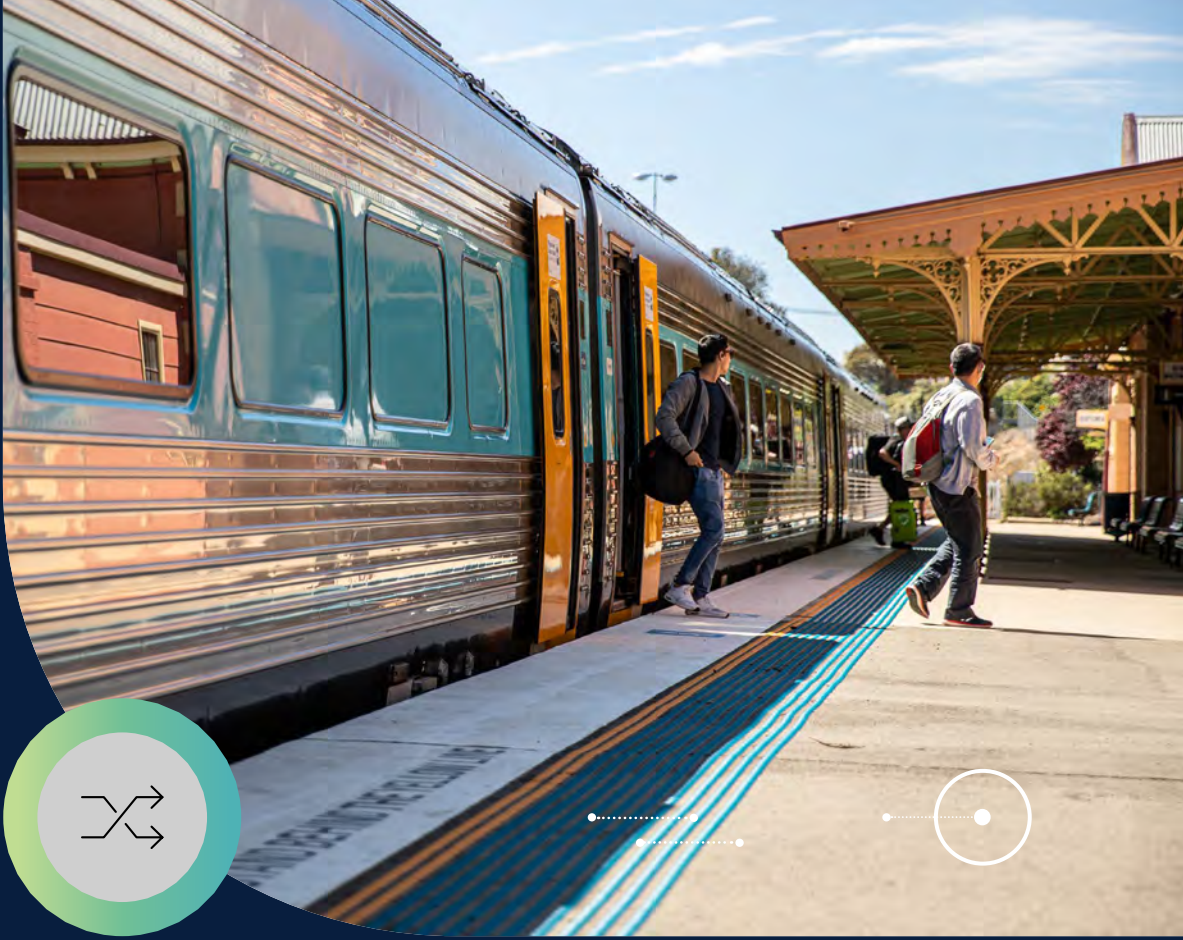
- > an overarching analysis of the department's performance by purpose
- > results tables containing
  - targets
  - results for 2021–22
  - comparable previous results, where the measure remains fundamentally unchanged (if applicable)
  - the methodology or data source from which results are calculated
- > analysis against measures
- > a snapshot of results matrix.

To further demonstrate line-of-sight between the 3 corporate documents, each measure includes references (documents and page numbers) to the source of the reported performance information as it appears in the 2021–22 Portfolio Budget Statements and 2021–22 Corporate Plan. This helps readers to navigate the performance information across the documents.

## The expression of dollar figures

These statements use the following conventions for dollar figures:

- > billions to either one or 3 decimal places (for example, \$2.5 billion, \$2.506 billion), and no decimal place for whole figures (for example, \$2 billion)
- > millions to one decimal place (for example, \$3.4 million), and no decimal place for whole figures (for example, \$2 million)
- > hundreds of thousands in full (for example, \$666,071)
- > where figures are approximate or indicate thresholds, no decimal points (for example, over \$100 million, around \$655 billion).



## Transport connectivity

Outcome 1 – Improved infrastructure across Australia through investment in and coordination of transport and other infrastructure

Outcome 2 – An efficient, sustainable, competitive, safe and secure transport system for all transport users through regulation, financial assistance and safety investigations

Purpose – Supporting an efficient, sustainable, safe and accessible transport system and supporting jobs through infrastructure investment



Road, rail, maritime and air transport are integral in connecting people to jobs, communities and essential services. Transport is also crucial in connecting businesses and industry to markets. We facilitate increased access to efficient, sustainable transport, and work to reduce the number and severity of safety incidents across all transport modes through our infrastructure investment, surface transport, road safety and air transport programs.

## Analysis

After facing enormous challenges through the COVID-19 pandemic, the Australian Government is supporting continuing recovery so as to achieve its vision of efficient, sustainable, competitive, accessible, safe and secure transport networks and services.

The department continued to monitor and report on outcomes to ensure our policies, programs and regulations are future focused, and connect and enrich our communities. We also provided leadership to deliver nationally consistent regulatory frameworks across a range of settings, including disability access, emission standards and improving safety across all transport modes.

As the major investor, we enable the Australian Rail Track Corporation (ARTC) – an Australian Government Business Enterprise (GBE) – to deliver Inland Rail. Inland Rail will be supported by common user terminals at Brisbane and Melbourne. The Australian Government has also transformed the Moorebank Intermodal Company into the National Intermodal Corporation (National Intermodal). The construction of the first segment of the Narrabri to North Star section of Inland Rail in New South Wales was delivered in time to support the movement of the 2021 grain crop.

These projects will help facilitate the safer, more reliable, secure and efficient movement of people and goods throughout Australia.

Construction of transport infrastructure will maintain an important role in supporting economic recovery as we learn to live with COVID-19, and will create a stronger future for Australia. We continue to collaborate and consult with industry, state, territory and local governments and our portfolio entities to:

- > deliver infrastructure upgrades that create job opportunities and help commuters and freight move safely and efficiently
- > ensure supply chains and labour markets are resilient and meet Australia's needs
- > ensure our investments are fit-for-purpose and capitalise on commercial opportunities.

We remain on track to deliver the government's infrastructure pipeline to rebuild Australia's economy and strengthen our long-term productive capacity. This includes the Western Sydney International (Nancy-Bird Walton) Airport which, through the GBE, WSA Co Ltd, is delivering significant benefits to local economies and supporting regional jobs. Work has already commenced on the airport terminal and runway.

We continue to work closely with industry and governments to address challenges in the construction sector including productivity, escalating prices and labour shortages compounded by the increase in infrastructure investments and major projects coming online simultaneously.

We are working with other Australian Government departments and the Queensland Government to support the Brisbane 2032 Olympic and Paralympic Games. Significant investment in infrastructure will deliver a world class games as well as support the growing needs of South East Queensland.

The Australian Government's intervention in the aviation sector was essential during the height of COVID-19, ensuring connectivity for essential services, particularly to regional and remote communities. Throughout COVID-19, the Australian Government committed over \$5.6 billion in direct support to the aviation industry, keeping freight moving, regions connected, and maintaining the capability of the aviation sector. This ensured critical air routes continued to operate safely and provided vital assistance for aviation jobs, particularly in regional areas. This not only supported delivery during the crisis but provided the stability to the sector necessary to drive the recovery into 2022 and beyond, with domestic and international borders reopened.

The domestic aviation capacity (measured by available seat kilometres) fell to 6% of pre-pandemic levels at its lowest point during the pandemic as demand collapsed. However, by early April 2022, it had recovered to 93% of the April 2019 capacity. Nevertheless, despite aviation activity increasing from the lows of the pandemic, the international recovery will be more tempered and may take several years to return to previous levels.

We supported maritime sector operations through development of and advice on health protocols across the sector, including the cruise industry, regarding COVID-19 arrangements. We also worked both in Australia and internationally to resolve crew change issues. This was critical for Australia's economic and social wellbeing, with around 99% of the volume of our imports and exports moved by sea, worth around \$575 billion in 2020.

In 2020, to ensure freight could continue to move domestically following the outbreak of COVID-19 and the introduction of restricted movement across state and territory borders across Australia, we developed the Freight Movement Code (the Code) in partnership with state and territory governments. This Code was instrumental in ensuring freight continued to move throughout the pandemic. The aim was to reduce the likelihood of the transmission of COVID-19 while managing the cross-border movement of freight in a safe, efficient and nationally consistent manner, thereby minimising disruptions and the regulatory burden on industry. Over the past 12 months, the Code has been regularly reviewed by all Australian state and territory governments to ensure it remained relevant as the pandemic evolved.

## Results

Key activity: Deliver and manage the Infrastructure Investment Program

### 1. Progress of land transport infrastructure investment projects up to \$250 million

Source: 2021–22 Portfolio Budget Statements p. 39, 2021–22 Corporate Plan p. 21

<b>2021–22 target</b>	By June 2022, projects progressed in accordance with agreed timeframes
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>Projects have progressed in accordance with agreed timeframes In 2021–22, of major projects up to \$250 million, 170 projects were started and 155 were completed</p>
<b>Previous result</b>	<p>Revised measure for 2021–22 Projects have progressed in accordance with agreed timeframes In 2020–21, of major projects up to \$100 million, 148 projects were started and 87 projects were completed</p>
<b>Methodology</b>	Analysis of departmental records on project progress

### 2. Progress of land transport infrastructure investment projects over \$250 million

Source: 2021–22 Portfolio Budget Statements p. 39, 2021–22 Corporate Plan p. 21

<b>2021–22 target</b>	By June 2022, projects progressed in accordance with agreed timeframes
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>Projects have progressed in accordance with agreed timeframes In 2021–22, of major projects over \$250 million, 15 projects were started and 9 projects were completed</p>
<b>Previous result</b>	<p>Revised measure for 2021–22 Projects have progressed in accordance with agreed timeframes In 2020–21, of major projects over \$100 million, 26 projects were started and 11 projects were completed</p>
<b>Methodology</b>	Analysis of departmental records on project progress

Under the National Partnership Agreement on Land Transport Infrastructure Projects, states and territories are responsible for delivering infrastructure projects. The department works closely with jurisdictions to ensure timely delivery of projects, including monitoring and assessing performance to ensure outputs are delivered and outcomes are achieved within the agreed timeframes. The 2021–22 target was met, however we note growing constraints in the construction market are affecting delivery of the pipeline of infrastructure projects (including productivity challenges and escalating prices). Further, a tight labour market is currently compounded by the significant increase in investment in infrastructure across jurisdictions.

The department continues to collaborate and consult with industry, state, territory and local governments and portfolio entities to deliver infrastructure that helps commuters and freight move safely and efficiently, ensure supply chains and labour markets are resilient and meet Australia's needs, and investments create sustainable job opportunities.

In 2021–22, a number of projects with Australian Government investment of up to \$250 million were completed, including the following (with Australian Government contribution amounts shown in brackets):

- > Western Australia – Armadale Road Bridge (\$207.2 million)
- > South Australia – North-South Corridor – Regency Rd to Pym St (\$147 million)
- > Queensland – Bruce Highway – Rockhampton Northern Access Upgrade (\$126.4 million)
- > New South Wales – New England Highway – Bolivia Hill Upgrade (\$98 million)
- > Northern Territory – Northern Australia Roads Program – Arnhem Highway to Adelaide River Floodplain Upgrade (\$62.3 million)
- > Victoria – Hume Freeway – O'Herns Road Interchange Upgrade (\$50 million)
- > Tasmania – State Road Network Enhancements (\$8 million)
- > ACT – Canberra Light Rail – new Mitchell Light Rail Stop (\$6 million).

In 2021–22, construction was completed on 2 key major projects with Australian Government investment of over \$250 million; the Northern Road (\$1.23 billion) in New South Wales, and the Bruce Highway – Caloundra Road to Sunshine Motorway (\$745.6 million) – in Queensland.

### 3. Average time taken to prepare Infrastructure Investment Monthly Program of Works (PoW) reports

Source: 2021–22 Portfolio Budget Statements p. 39, 2021–22 Corporate Plan p. 21

<b>2021–22 target</b>	At the end of 2021–22, 5% reduction in the average time taken to prepare reports when compared to previous year
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>The department distributed the PoW reporting with an average reduction of time over 5% compared to the previous year</p> <p>While the department continues to make improvements to its business and reporting processes in advance of delivery of the Reporting and Program Management System, it was not in place in 2021–22</p>
<b>Previous result</b>	<p>Revised measure for 2021–22</p> <p>While the department continues to make improvements to its business and reporting processes in advance of delivery of the Reporting and Program Management System in 2021–22, it was not in place in 2020–21</p>
<b>Methodology</b>	Analysis of average time taken to prepare reports

*This is the final reporting period for this measure*

The PoW is an important element in meeting the Infrastructure Investment Division’s reporting obligations to Executives, Ministers’ Offices, and central agencies. The report includes detailed funding and project information on the Infrastructure Investment Program and the broader 10-year infrastructure pipeline.

The department has committed to improving the preparation of the PoW through an ongoing review of business processes and in consultation with our stakeholders, so that the program will provide a holistic and consistent view. While it is expected that further improvements in report preparation will follow the implementation of the Reporting and Management System, gains in 2021–22 were achieved through efficiencies in the broader operations of the Infrastructure Investment Division, including standardising the use of the existing Infrastructure Management System.

**Key activity: Advise on and deliver better road safety as well as vehicle and rail regulation**

**4. Progress of the implementation of:  
a) the National Road Safety Strategy for the decade 2021 to 2030; and  
b) the National Road Safety Data Hub**

Source: 2021–22 Portfolio Budget Statements pp. 48, 2021–22 Corporate Plan p. 21

<b>2021–22 target</b>	<ul style="list-style-type: none"> <li>a) Establish an ongoing consistent source of updated national serious injury data by June 2022</li> <li>b) Data hub is established</li> </ul>
<b>2021–22 result</b>	<p><b>Target partially met</b></p> <ul style="list-style-type: none"> <li>a) Target partially met – work is progressing to establish an ongoing consistent source of national serious injury data</li> <li>b) Target met – the Road Safety Data Hub has been established in the department</li> </ul>
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Analysis of departmental records

During 2021–22, the department, in collaboration with state and territories, continued to support an Austroads initiative to develop a national data source to measure serious injuries. Completion of the National Serious Injury Data Set: Stage II is expected to be finalised in the first half of 2022–23.

The National Road Safety Data Hub was established during 2020–21 and 2021–22. It has created national road safety data sets and analytical products for use by government, industry and the public. The key outputs in 2021–22 include:

- > the creation of dashboards reporting on crash factors, speeding infringements, mobile phone infringements, the national picture of severe injuries resulting from road crashes, and outcomes measures of the former National Road Safety Strategy 2011–2020
- > updating existing dashboards with details on fatalities, serious injuries, and roadside drug and alcohol testing
- > the creation of maps identifying the location of projects funded through the Road Safety Program, Tranche 1, and a Vision Zero map identifying local government areas with zero deaths since 2008
- > the development of road user placemats, providing quick reference statistics, road rules and legislation applied by states and territories.

## 5. Progress reforms for regulating vehicles and rail

Source: 2021–22 Portfolio Budget Statements p. 48, 2021–22 Corporate Plan p. 22

<b>2021–22 target</b>	Implementation milestones for the National Rail Action Plan (NRAP) are met
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>The milestones were met for 2021–22</p>
<b>Previous result</b>	<p>Revised measure for 2021–22</p> <p>The milestones set for 2020–21 have been met</p>
<b>Methodology</b>	Analysis of departmental records

In 2021–22, ministers agreed a further 3-year program on the NRAP, including:

- > establishing a national rail skills hub to address skills and labour shortages
- > progressing priority rolling stock and infrastructure standards
- > agreeing to an interoperability framework which will improve network compatibility between different technology and communication systems.

In 2021–22, ministers appointed Mr Ken Kanofski to lead stakeholder consultation of the Heavy Vehicle National Law Review and develop recommendations for consideration. Mr Kanofski has completed an extensive consultation process.

**Key activity: Advise on and deliver policy for access to transport for people with a disability**

## 6. Progress of reforms to the disability standards for accessible public transport

Source: 2021–22 Portfolio Budget Statements p. 48, 2021–22 Corporate Plan p. 22

<b>2021–22 target</b>	Financial year delivery milestones set by the Infrastructure and Transport Ministers' Meeting (ITMM) are met
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>The following milestones were met for 2021–22:</p> <ul style="list-style-type: none"> <li>&gt; In September 2021, reported to the Infrastructure and Transport Senior Officials' Committee on second tranche of proposed new transport standards prior to the Regulation Impact Statement process</li> <li>&gt; In November 2021, Ministers considered and endorsed the first tranche of new standards to improve public transport accessibility</li> </ul>
<b>Previous result</b>	<p>Revised measure for 2021–22</p> <p>The milestone for 2020–21 was met</p> <p>Milestone: In September 2020, there was a report to the Infrastructure and Transport Senior Officials' Committee on the first tranche of proposed new standards prior to the Regulation Impact Statement process</p>
<b>Methodology</b>	Analysis of departmental records on project progress

In February 2022, Infrastructure and Transport Ministers endorsed the Decision Regulation Impact Statement (Decision RIS) for the first tranche of 16 reform areas. This meeting was moved from the end of 2021 to February 2022.

In October 2021, the Infrastructure and Transport Senior Officials' Committee agreed to the second tranche of issues designed to modernise the transport standards to be progressed as part of Stage 2 of the reform process. A RIS for the Stage 2 reforms was released for consultation on 15 March 2022. Feedback is being sought on 54 areas of reform aimed at improving public transport accessibility for people with disability.

Infrastructure and Transport Ministers will consider the Decision RIS for the Stage 2 reforms in mid-2023.

**Key activity: Manage domestic and international maritime policy, programs and regulation to support efficient sea trade, vessel safety and environment protection**

## 7. Satisfaction of regulated shipping entities

Source: 2021–22 Portfolio Budget Statements p. 48, 2021–22 Corporate Plan p. 22

<b>2021–22 target</b>	Financial year survey results indicate we are effective, communicate clearly, and seek continuous improvement
<b>2021–22 result</b>	<b>Data not available</b>
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Analysis of results from an annual online survey of regulated entities, relating to: Part X of the Competition and Consumer Act 2010; Shipping Reform (Tax incentives) Act 2012; and Coastal Trading (Revitalising Australian Shipping) Act 2012

*This is the final reporting period for this measure*

The department is awaiting further guidance on a whole-of-government process for measuring the satisfaction of regulated entities. The department is committed to maintaining positive engagement with shipping entities involved in our regulatory activities. There was no report of complaint or dissatisfaction with the department's regulatory performance from regulated shipping entities during this financial period.



## 8. Performance of Tasmanian shipping programs, indicated through number of:

**a) claims paid (Tasmanian Freight Equalisation Scheme (TFES))**  
**b) rebates provided (Bass Strait Passenger Vehicle Equalisation Scheme (BSPVES))**

Source: 2021–22 Portfolio Budget Statements p. 48, 2021–22 Corporate Plan p. 23

<b>2021–22 target</b>	Programs are demand driven
<b>2021–22 result</b>	<p><b>No target</b></p> <p>a) During the 2021–22 financial year, 16,515 TFES claims for assistance were paid</p> <p>b) During the 2021–22 financial year, 148,121 BSPVES rebates were provided</p>
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Data provided by Services Australia every quarter of each financial year

The result for both TFES claims paid and BSPVES rebates provided are consistent with expectations. The result for 2021–22 will provide a useful baseline for comparison with results in future financial years.

## 9. Effectiveness of international engagement on maritime matters

Source: 2021–22 Portfolio Budget Statements p. 48, 2021–22 Corporate Plan p. 23

<b>2021–22 target</b>	In each financial year, outcomes achieved in line with the negotiation mandate agreed by the Australian Government
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>The department achieved the Australian Government's desired outcomes in a range of bilateral and multilateral forums</p>
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Analysis of departmental records

*This is the final reporting period for this measure*

The department advocated for the Australian Government's interests at meetings of the:

- > International Maritime Organization's (IMO) Marine Environment Protection Committee
- > Intersessional Working Group on Reducing Greenhouse Gas Emissions from Ships
- > Facilitation Committee
- > Expert Group on Data Harmonization (EGDH).

The department also supported the work of the Australian Government at the IMO’s Legal Committee and Maritime Safety Committee, and the United Nations (UN) Commission on International Trade Law’s Working Group on the Judicial Sale of Ships.

The department, in collaboration with the Australian Maritime Safety Authority, successfully pushed for an expansion of the IMO Compendium on Facilitation and Electronic Business, to include a data set on Port State Control (PSC) Inspection History. The IMO Compendium is a key tool used to design maritime single windows. By including PSC inspection history information, ships have the opportunity to submit evidence of compliance with International Conventions prior to arrival, which then allows for the early identification and targeting of high-risk vessels and better use of government compliance resources.

The department supported negotiations on improvements to the safety and security of shipping, including in relation to the ongoing armed conflict between the Russian Federation and Ukraine through the IMO and its sub-committees.

In addition to engagement at the IMO, the department leads international engagement on accelerating the uptake of low and zero emission maritime fuels and technologies through the:

- > Clydebank Declaration for Green Shipping Corridors established at the 2021 UN Climate Change Conference (COP 26)
- > Quad Shipping Taskforce with our partners: Japan, US and India.

The department also provides governance oversight and maritime expertise for the Australia-Singapore partnership on low emissions maritime technologies.

**Key activity: Implement the National Freight and Supply Chain Strategy and Action Plan, including establishing the freight data hub**

## 10. Progress implementing the National Freight and Supply Chain Strategy (the Strategy) for the next 20 years and beyond to 2040

Source: 2021–22 Portfolio Budget Statements p. 48, 2021–22 Corporate Plan p. 24

<b>2021–22 target</b>	By June 2022, the 2020–21 Annual Report on national freight performance outcomes is complete, and the Strategy’s performance framework has been updated
<b>2021–22 result</b>	<div style="background-color: #90c080; padding: 2px; display: inline-block; margin-bottom: 5px;"><b>Target met</b></div> <p>In January 2022, the 2020–21 National Freight and Supply Chain Strategy Annual Report was released and the Strategy’s performance framework was updated to include 3 new indicators</p>
<b>Previous result</b>	New measure for 2021–22 – Result not available
<b>Methodology</b>	Analysis of departmental records

A fundamental principle of the Strategy is the importance of obtaining accurate, timely and comparable data to measure freight movements by mode through supply chains. A primary goal for governments and industry this year was to improve the collection and use of national freight data, furthered through updates to the Freight Performance Dashboard and the establishment of the National Freight Data Hub (the Hub).

Australian state and territory governments are working to strengthen the performance monitoring framework with new indicators. The aim is to have 'outcome indicators' linked to the 6 intended outcomes under the Strategy and 'progress indicators' under each of the 4 critical action areas. These enable us to track against 'outputs' and 'outcomes'. As a first step, 3 new interim indicators were added to the performance framework from 2021–22:

- > average freight-carrying truck age, as a proxy for measuring the safety of road freight vehicles
- > a freight cost index across road, rail and sea
- > public sector expenditure on transport infrastructure.

By making high-quality and timely freight data more widely available, the Hub will enhance the collection of, and access to, freight data across all modes, to improve the efficiency, safety and resilience of Australia's freight sector. The Hub program reflects extensive stakeholder feedback across the industry on data priorities and challenges. In 2020–21, the Hub prototype website and data catalogue were launched to provide an early demonstration of the value of improved freight data. In 2021–22, activities related to the Hub included:

- > the prototype freight data catalogue was increased from 170 to over 200 datasets from 24 organisations across the nation, providing data and insights across the road, rail, maritime and aviation sectors
- > extensive user testing was undertaken on the prototype website to identify improvements and update the design for an enduring freight data hub website
- > governments and industry worked together to deliver the 13 high value projects under the Hub program to deliver increased data sharing and better data quality across all modes
- > a successful launch into production of the National Location Registry (NLR) was developed in collaboration with the freight and logistics industry and GS1. It provides reliable and accurate information in relation to pick-up and delivery locations to support truck drivers in getting goods to businesses and consumers safely and quickly.

**Key activity: Lead Policy (with the Department of Finance) and shape the delivery of major transport infrastructure projects and intermodal business cases**

## 11. Implementation of Western Sydney International (Nancy-Bird Walton) Airport

Source: 2021–22 Portfolio Budget Statements p. 52, 2021–22 Corporate Plan p. 24

<b>2021–22 target</b>	Delivery milestones are met for 2021–22
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>Western Sydney International (Nancy-Bird Walton) Airport (WSI) is progressing well. It is over 33% complete (as at June 2022), and on track to commence operations in late 2026</p>
<b>Previous result</b>	<p>The 5 milestones set for completion by the end of 2020–21 have been met. Key deliverables achieved include awarding of the Baggage Handling Systems contract on 12 March 2021 and the Terminal and Specialty Works contract on 4 June 2021</p>
<b>Methodology</b>	Progress will be measured against milestones in key control documents (Project Deed, functional specifications and Western Sydney Airport Plan)

*This is the final reporting period for this measure*

The key milestones achieved by WSA Co Ltd in 2021–22 include:

- > commencement of construction of the terminal in November 2021
- > commencement of construction of the runway in March 2022
- > procurement of Southern Myotis offsets in accordance with the Biodiversity Offset Delivery Plan
- > commencement of environmental assessment of flight paths for the airport, including procurement of environmental assessment and community consultation expertise.

The Australian Government has committed more than \$5.3 billion to support the delivery of the Western Sydney International (Nancy-Bird Walton) Airport, which will include a 3.7 kilometre runway, an integrated domestic and international terminal, and an initial capacity for 10 million passengers annually.

During 2021–22, the Australian Government provided \$640.1 million in equity payments. Additionally, the major works contracts for the construction of the airport (managed by WSA Co Ltd) were established. Following completion of the early earthworks, the bulk of the earthworks are now almost complete and work has commenced on the terminal buildings. However, substantial wet weather impacts and the COVID-19 pandemic are creating challenges for the delivery of WSI.

## 12. Implementation of Moorebank Intermodal Terminal

Source: 2021–22 Portfolio Budget Statements p. 39, 2021–22 Corporate Plan p. 24

<b>2021–22 target</b>	Delivery milestones are met for 2021–22
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>51% of the precinct is completed</p> <p>Delays to agreements with adjoining landowners and National Intermodal's private sector partner, Sydney Intermodal Terminal Alliance (a wholly-owned subsidiary of Qube Holdings) for Moorebank Avenue Works and Interstate Terminal design, have now been resolved through the execution of a Consent Deed between both parties, allowing works to progress</p> <p>Construction has commenced on the Interstate Terminal and is expected to be delivered by mid-2025</p>
<b>Previous result</b>	<p>Revised measure for 2021–22</p> <p>46% of the precinct is completed</p> <p>Delays to agreements with adjoining landowners and Moorebank Intermodal Company's private sector partner, Sydney Intermodal Terminal Alliance, have prevented all targets being met for Moorebank Avenue Works and Interstate Terminal design</p>
<b>Methodology</b>	Progress will be measured against milestones overseen through Moorebank Intermodal Company's governance and reporting arrangements

The Moorebank Intermodal Company was repurposed as the National Intermodal Corporation so as to take on a broader role in the development and operation of intermodal terminals in Melbourne and Brisbane in support of Inland Rail. The department provided oversight of National Intermodal and assessed its performance against a range of milestones relating to 3 specific pieces of work at the Moorebank Intermodal Terminal Precinct – Land Preparation Works, Moorebank Avenue Works and Rail Access Works Stage 2.

Despite earlier delays relating to development approvals and design work, a number of issues were resolved and progress continues to be made, with 51% of the precinct complete. National Intermodal will take on a more active role in delivery of the precinct, including the development and operation of the Interstate Terminal and the delivery of the Moorebank Avenue Works, providing greater control over costs and schedule. The project remains on track for delivery by mid-2025.

### 13. Implementation of Intermodal Terminal Business Cases

Source: 2021–22 Portfolio Budget Statements p. 40, 2021–22 Corporate Plan p. 24

<b>2021–22 target</b>	Delivery milestones are met for 2021–22
<b>2021–22 result</b>	<p><b>Target partially met</b></p> <p>Further work has been undertaken since the Victorian Government submitted the Draft Business Case, however, is yet to be finalised</p> <p>Work has progressed as expected on the Detailed Business Case for the Brisbane Inland Rail Intermodal Terminal</p>
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Progress will be measured against analysis of departmental records including charters, principles of engagement, project outcomes, project milestones, governance structure and terms of reference

In 2021–22, the department worked with the Victorian Department of Transport to finalise the Business Case for the Melbourne Inland Rail Intermodal Terminal. Further work, including cost and program reviews, commercial analysis and market sounding has been undertaken since the submission of the Draft Business Case. The Business Case however, is yet to be finalised. An agreement between the Australian and Victorian Government on the Melbourne Intermodal Terminals solution is ongoing.

The department also worked with the Queensland Department of Transport and Main Roads to progress the Detailed Business Case for the Brisbane Inland Rail Intermodal Terminal. Further work on the Business Case is required in order to consider the findings of the proposed 2022 review of the Inland Rail project.

### 14. Implementation of Inland Rail

Source: 2021–22 Portfolio Budget Statements p. 40, 2021–22 Corporate Plan p. 24

<b>2021–22 target</b>	Delivery milestones are met for 2021–22
<b>2021–22 result</b>	<p><b>Target partially met</b></p> <p>A total of 178 kilometres (more than 10%) of the Inland Rail track has been constructed</p>
<b>Previous result</b>	<p>The milestones set for 2020–21 have been met. These include:</p> <ul style="list-style-type: none"> <li>&gt; Parkes to Narromine section commissioned</li> <li>&gt; construction of Narrabri to North Star (Phase 1) commenced</li> <li>&gt; Queensland Land Acquisition Deed executed</li> <li>&gt; request for proposal for the public–private partnership issued</li> </ul>
<b>Methodology</b>	Progress will be measured against milestones in the Inland Rail project schedule

*This is the final reporting period for this measure*

Key milestones achieved in 2021–22, include ARTC's:

- > appointment of Regionerate Rail as the Preferred Proponent for the Gowrie to Helidon, Helidon to Calvert and Calvert to Kagaru projects (G2K projects) in Queensland
- > signing of a number of collaborative agreements with a range of tiered firms to support local content in boosting local jobs and economies
- > completion of the first 29 kilometres of the Narrabri to North Star Phase 1 project in November 2021, in time for the New South Wales grain season, and providing improved connectivity to New South Wales Ports.

As at May 2022, a total of 178 kilometres of track has been constructed, with a number of pressures emerging in 2021–22 that have delayed delivery timeframes, including environmental approvals and finalising enabling agreements.

In 2021–22, the Australian Government provided ARTC with \$765.5 million in equity payments across the financial year to support the delivery of Inland Rail. This brings the aggregate financial contribution from the Australian Government for the project to \$2.483 billion to date.

## 15. Implementation of Inland Rail Interface Improvement Program

Source: 2021–22 Portfolio Budget Statements p. 40, 2021–22 Corporate Plan p. 24

<b>2021–22 target</b>	Completion by June 2022
<b>2021–22 result</b>	<p><b>Target not met</b></p> <p>There were 38 proposals that have received support to progress through the program. Of these, 12 proposals were finalised by 30 June 2022. Five proposals were finalised as a pre-feasibility study, one proposal was finalised as a feasibility study and 6 proposals were finalised as a Strategic Business Case. The remaining 26 proposals are still in development</p> <p>The target completion date for delivery of the Interface Improvement Program is 30 June 2023.</p>
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Progress will be measured against the timeframes and milestones to deliver the Inland Rail Interface Program

*This is the final reporting period for this measure*

Under the Inland Rail Interface Improvement Program, proposals have been developed through a gateway assessment process that involves the development of pre-feasibility, feasibility and strategic business cases. There were 38 proposals that received support to progress through the program, including 26 proposals aimed at improving connectivity between supply chains and Inland Rail (productivity enhancements), and 12 proposals to improve the capacity of country rail lines that intersect with Inland Rail (country line improvements).

The COVID-19 pandemic and flood events across New South Wales and Queensland caused delays to proponent engagement and the development of subsequent business cases. Due to these delays, the program will aim for a June 2023 target date for the completion of all proposals.

**Key activity: Advise on and deliver domestic aviation policy and programs**

### 16. Percentage of Master Plans and Major Development Plans processed for federally leased airports within statutory timeframes

Source: 2021–22 Portfolio Budget Statements p. 52, 2021–22 Corporate Plan p. 25

<b>2021–22 target</b>	100% in each financial year
<b>2021–22 result</b>	<div style="background-color: #c6e0b4; padding: 2px;"><b>Target met</b></div> 100% All Master Plans and Major Development Plans were assessed within statutory timeframes
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Analysis of departmental records

Under the *Airports Act 1996*, following the submission of draft Master Plans and draft Major Development Plans by leased federal airports, a decision by the minister on whether to approve or refuse the draft plan must be made within 50 business days of its receipt or the plan will be deemed approved.

During 2021–22, 2 draft Master Plans and 5 draft Major Development Plans were submitted by leased federal airports with all plans being assessed for the minister’s consideration and a decision made within the statutory timeframe.



**17. Performance of the Domestic Aviation Network Support (DANS) and Regional Airline Network Support (RANS) programs, indicated through number of:**

**a) domestic commercial airlines receiving DANS or RANS support**

**b) locations receiving DANS or RANS flights**

Source: 2021–22 Portfolio Budget Statements p. 52, 2021–22 Corporate Plan p. 25

<b>2021–22 target</b>	DANS and RANS operate as a safety net, with the number of flights supported dependent on how the aviation industry moves through the pandemic
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>a) The DANS program ceased on 31 December 2021, and supported 4 airlines across the top 50 routes</p> <p>b) The RANS program supported 14 airlines, with 121 locations serviced through eligible RANS flights. The RANS program closed on 30 June 2022</p>
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Departmental records, including on the number of airports connected by domestic and international regular public transport flights, and on the maintenance of air freight

*This is the final reporting period for this measure as the program is terminating*

The DANS program was a shortfall subsidy that supported 4 airlines to maintain minimum connectivity across the pre-COVID top 50 routes nationally. As the aviation industry recovered, the number of subsidies claimed and paid under the program was reduced.

The RANS program was a shortfall subsidy that supported airlines to maintain minimum connectivity to regional locations during the COVID-19 pandemic, thus supporting essential travel requirements. As the aviation industry recovered, the number of airlines, locations supported, and subsidy under the programs, declined. This is an indication that the program worked as intended.

## 18. Performance of the Regional Airports Program (RAP) and the Remote Airstrip Upgrade (RAU) program, indicated through number of completed projects:

### a) RAP funding to regional Australia

### b) RAU funding in remote Australia

Source: 2021–22 Portfolio Budget Statements p. 52, 2021–22 Corporate Plan p. 25

<b>2021–22 target</b>	<p>a) 100% of RAP projects with funding agreements in place are completed by 30 June 2025, with a third round of RAP grants to be offered on a competitive basis in 2022</p> <p>b) 100% of RAU projects with funding agreements in place are completed by 30 June 2024, with a ninth round of RAU grants to be offered on a competitive basis in 2022<sup>a</sup></p>
<b>2021–22 result</b>	<p style="background-color: #c6e0b4; padding: 2px;"><b>Target met</b></p> <p>Further rounds of the RAP and RAU were open for applications in the first half of 2022</p> <p>Of the 60 RAP round one projects, 26 were completed. Grant agreements were executed for 85 of the 88 RAP round 2 projects, with work commencing in line with agreed milestones</p> <p>Of the RAU round 6 to 8 projects, 57 of the 121 were completed</p>
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Analysis of reporting from the Grants Hub in the Department of Industry, Science, Energy and Resources

- a. The 2021–22 target was updated in the 2021–22 Portfolio Additional Estimates Statements. The previous 2021–22 target, reported in the 2021–22 PBS and Corporate Plan was: 'In 2021–22, 100% of projects with funding agreements in place are completed (funding is through a competitive grant program)'. In December 2021, the Australian Government announced the extension of the RAP and RAU programs as part of the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO) update. This extended timeframe will also enable existing grantees to complete projects that have been delayed by the impacts of COVID-19 on construction activities.

Project completion is assessed based on advice and reporting from the Grants Hub in the Department of Industry, Science, Energy and Resources.

A number of RAP and RAU projects were completed. However, a number have experienced delays due to the impacts of COVID-19, including lockdowns, contractor unavailability, access to remote locations and supply chain issues.

## 19. Performance of the Remote Air Services Subsidy (RASS) Scheme indicated through the number of remote communities directly visited on the regular “mail plane” service

Source: 2021–22 Portfolio Budget Statements p. 52, 2021–22 Corporate Plan p. 26

<b>2021–22 target</b>	Communities can apply for admission to the RASS Scheme at any time
<b>2021–22 result</b>	<b>Target met</b>  There are 269 communities listed under the RASS Scheme, a slight increase from last year
<b>Previous result</b>	Revised measure for 2021–22 – result not comparable The RASS Scheme guaranteed aviation services to 268 remote communities, a slight increase from last year
<b>Methodology</b>	Consolidation of data from contracts with RASS air operators

To support Australians living in remote areas, the RASS Scheme subsidises regular air services for passengers and/or freight to remote and isolated communities of Australia. Remote communities can apply for a RASS service at any time. Communities are assessed on need, remoteness, airstrip condition and the available budget under the program.

In 2021–22, the RASS Scheme included 269 remote communities at a cost of \$15.5 million. A list of the communities can be found on the department’s website. These services provide access to health care, fresh food, educational materials, medicines and other urgent supplies.

**Key activity:** Advise on international aviation markets and regulation, aviation technology and aviation services provided by portfolio bodies

## 20. Effectiveness of international engagement on aviation matters

Source: 2021–22 Portfolio Budget Statements p. 52, 2021–22 Corporate Plan p. 26

<b>2021–22 target</b>	In each financial year, outcomes achieved in line with prevailing aviation conditions
<b>2021–22 result</b>	<b>Target met</b>  In 2021–22, positive international engagement and results were achieved
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Analysis of departmental records

This is the final reporting period for this measure

Despite the difficult international aviation operating environment during 2021–22, due to the COVID-19 pandemic, travel restrictions and increased regulatory requirements, more than 50 airlines operated to Australia from over 40 countries. The department engaged closely with these airlines to facilitate the continued operation of international air transport operations to and from Australia. By May 2022, scheduled international passenger flights to Australia had returned to 47.9% of pre-COVID May 2019 flight numbers compared to 31.6% in May 2021.

The department gave effect to formal international air services arrangements with Timor-Leste, and increased capacity under the Australia – Qatar air services arrangements. The department is engaging with several Pacific island partners, seeking increased capacity under bilateral air services arrangements and supporting the movement of critical goods and services, as well as the re-emergence of our aviation, trade and tourism industries.

The department led the Australian delegation to the successful High Level Conference on COVID-19, convened virtually by the International Civil Aviation Organization (ICAO), in October 2021. The Conference agreed on recommendations urging participating States and the ICAO to strengthen existing passenger facilitation systems and improve global crisis management and coordination so as to prepare for future pandemics. These outcomes will be considered for endorsement at the triennial ICAO Assembly in September 2022 in Montreal, Canada.

**Key activity: Deliver major project business cases**

**21. Number of Significant Projects Investment Delivery Office (SPIDO) Priority projects available to the Australian Government for further consideration**

Source: 2021–22 Portfolio Budget Statements p. 40, 2021–22 Corporate Plan p. 26

<b>2021–22 target</b>	By June 2022, the Australian Government has options available for consideration
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>The department supported the Australian Government's:</p> <ul style="list-style-type: none"> <li>&gt; \$10 million business case for the Toowoomba to Gladstone Inland Rail extension, which will unlock economic opportunities in regional Queensland, announced in September 2021</li> <li>&gt; commitment to funding and governance for critical non-transport infrastructure for the 2032 Brisbane Olympic and Paralympic Games in partnership with the Queensland Government</li> </ul> <p>The department provided advice to government on key investment opportunities which have been considered through decision-making and budget processes including the Energy Security and Regional Development Plan, analysing projects in the Pilbara, Burdekin and Middle Arm in Darwin</p>
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Analysis of departmental records

*This is the final reporting period for this measure*

The SPIDO was established to identify, lead and manage large and complex significant infrastructure projects on behalf of the Commonwealth, with a particular focus on projects that are either strategic, high risk, and above \$1 billion in total project value; have the potential to attract private sector investment; or are considered nationally significant.

Since its establishment, SPIDO has worked closely with its partners in the Department of the Treasury (Office of Infrastructure and Commercial Advice), Department of Finance, and Infrastructure Australia to achieve significant outcomes for the Commonwealth over the past 12 months, including:

- > providing expert advice on the Victorian Government’s Suburban Rail Loop business and investment case, undertaking detailed work on the Melbourne Intermodal Terminals Package and assessment of the longer-term implications for existing Commonwealth investments, such as the Moorebank Intermodal Terminal Precinct
- > negotiating improved governance, information access and cost recovery for legal and commercial advice with Sydney Transport Partners on the \$2 billion Westconnex concessional loan
- > developing a governance model to deliver critical non-transport infrastructure for the 2032 Brisbane Olympic and Paralympic Games
- > managing the delivery of a Business Case, with the Queensland Government, to explore the extension of the Inland Rail from Toowoomba to Gladstone, connecting the resources sector and agricultural producers to export markets through the Port of Gladstone.

A number of other projects are still being developed and will be subject to the advice and priorities of the new government.

**Effectiveness measure: Supporting an efficient and sustainable transport system**

**22. Expected travel time savings arising from infrastructure projects in the Infrastructure Investment Program receiving \$250 million or more in Australian Government funding**

Source: 2021–22 Portfolio Budget Statements p. 40, 2021–22 Corporate Plan p. 27

<b>2021–22 target</b>	100% of projects for which travel time savings are a significant planned benefit
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>Reduced travel times were achieved. Large road projects under construction in 2021–22 are estimated to provide over \$68 billion in total travel time savings across the life of the projects</p>
<b>Previous result</b>	<p>Revised measure for 2021–22</p> <p>Reduced travel times were achieved. Large road projects underway during 2020–21 are estimated to provide more than \$70 billion in total travel time savings across the life of projects</p>
<b>Methodology</b>	Time savings will be measured as the sum of total expected time savings benefits (in Net Present Value \$) of projects carried out in the financial year

*This is the final reporting period for this measure*

The Australian Government is committed to investing in road and rail infrastructure across the nation to help reduce travel times and to ensure Australians arrive home safely. For example, the North East Link project will connect the M80 with the Eastern Freeway and is expected to cut travel times by up to 30 minutes. The Coomera Connector Stage 1 project will deliver a new 16 kilometre road connection between Coomera and Nerang and is expected to reduce the trip between Coomera and Southport by 10 minutes.

### 23. Transport costs for road freight

Source: 2021–22 Portfolio Budget Statements p. 49, 2021–22 Corporate Plan p. 27

<b>2021–22 target</b>	No target due to COVID-19 impacts
<b>2021–22 result</b>	<b>No target</b>  At the end of 2021–22, real road freight costs were 0.8% lower than the average of the 10 years up to 2020–21
<b>Previous result</b>	At the end of 2020–21, road freight costs were 3.1% lower than the average of the 10 years up to 2019–20
<b>Methodology</b>	Analysis of Australian Bureau of Statistics (ABS) producer price indexes for Road Freight Transport and Rail Freight Transport, <sup>a</sup> relative to the Consumer Price Index (CPI)

a. Available at: <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/producer-price-indexes-australia/latest-release>

*This is the final reporting period for this measure*

Road freight transport costs did not change significantly during the period, relative to other prices in the economy.

### 24. Transport costs for rail freight

Source: 2021–22 Portfolio Budget Statements p. 49, 2021–22 Corporate Plan p. 27

<b>2021–22 target</b>	No target due to COVID-19 impacts
<b>2021–22 result</b>	<b>No target</b>  At the end of 2021–22, real rail freight costs were 1.6% lower than the average of the 10 years up to 2020–21
<b>Previous result</b>	At the end of 2020–21, rail freight costs were 0.7% higher than the average of the 10 years up to 2019–20
<b>Methodology</b>	Analysis of ABS producer price indexes for Road Freight Transport and Rail Freight Transport, relative to the CPI

*This is the final reporting period for this measure*

Rail freight transport costs did not change significantly during the period, relative to other prices in the economy.

## 25. Domestic CO<sub>2</sub> emissions and rate of emissions: road (per vehicle kilometre)

Source: 2021–22 Portfolio Budget Statements p. 49, 2021–22 Corporate Plan p. 27

<b>2021–22 target</b>	The department does not set targets for emissions as it reports against an economy-wide framework (the National Greenhouse Gas Inventory)
<b>2021–22 result</b>	<p><b>No target</b></p> <p>Road emissions in 2020–21 totalled 92,126 gigagrams (CO<sub>2</sub> equivalent). This is higher than the 91,228 gigagrams in 2019–20.</p> <p>This was 369.7 gigagrams per billion vehicle kilometres. This is lower than the 371.0 gigagrams per billion vehicle kilometres recorded in 2019–20.</p> <p><i>Note: Estimates on CO<sub>2</sub> emissions are revised annually, and results for the previous year may differ from the 2020–21 Annual Report</i></p>
<b>Previous result</b>	Road emissions (full fuel cycle) in 2019–20 were 91,286 gigagrams (CO <sub>2</sub> equivalent). This was 370 gigagrams per billion vehicle kilometres
<b>Methodology</b>	Analysis of data from the BITRE Australian Infrastructure Statistics Yearbook

The department reports on emissions in accordance with an economy-wide framework, the National Greenhouse Gas Inventory, consistent with the United Nations Framework Convention on Climate Change and the Kyoto Protocol.

Emissions from transport are influenced by demand and usage of the transport network for both commercial and personal reasons, across different modes.

Moving forward, the ongoing implementation of more efficient design and engine technology in the Australian transport fleet is expected to have a positive effect in reducing overall transport CO<sub>2</sub> emissions.

## 26. Domestic CO<sub>2</sub> emissions and rate of emissions: rail (per tonne kilometre)

Source: 2021–22 Portfolio Budget Statements p. 49, 2021–22 Corporate Plan p. 27

<b>2021–22 target</b>	The department does not set targets for emissions as it reports against an economy-wide framework (the National Greenhouse Gas Inventory)
<b>2021–22 result</b>	<p><b>No target</b></p> <p>Rail emissions in 2020–21 totalled 6,145 gigagrams (CO<sub>2</sub> equivalent, full fuel cycle). This is lower than the 6,198 gigagrams recorded in 2019–20</p> <p>In 2020–21, rail emissions were 24.9 gigagrams per million train kilometres. This is lower than the 25.0 gigagrams per million train kilometre recorded in 2019–20</p> <p><i>Note: Estimates on CO<sub>2</sub> emissions are revised annually, and results for the previous year may differ from the 2020–21 Annual Report</i></p>
<b>Previous result</b>	Rail emissions (full fuel cycle) in 2019–20 were 6,420 gigagrams (CO <sub>2</sub> equivalent). This was 25 gigagrams per million train kilometres
<b>Methodology</b>	Analysis of data from the BITRE Australian Infrastructure Statistics Yearbook

The department reports on emissions in accordance with an economy-wide framework, the National Greenhouse Gas Inventory, consistent with the United Nations Framework Convention on Climate Change and the Kyoto Protocol.

Emissions from transport are influenced by demand and usage of the transport network for both commercial and personal reasons, across different modes.

Moving forward, the ongoing implementation of more efficient design and engine technology in the Australian transport fleet is expected to have a positive effect in reducing overall transport CO<sub>2</sub> emissions.

## 27. Domestic CO<sub>2</sub> emissions and rate of emissions: maritime (per tonne kilometre)

Source: 2021–22 Portfolio Budget Statements p. 49, 2021–22 Corporate Plan p. 27

<b>2021–22 target</b>	The department does not set targets for emissions as it reports against an economy-wide framework (the National Greenhouse Gas Inventory)
<b>2021–22 result</b>	<p><b>No target</b></p> <p>Domestic maritime emissions in 2020–21 totalled 2,509 gigagrams (CO<sub>2</sub> equivalent). This is higher than the 2,488 gigagrams in 2019–20</p> <p><i>Note: Estimates on CO<sub>2</sub> emissions are revised annually, and results for the previous year may differ from the 2020–21 Annual Report</i></p>
<b>Previous result</b>	Domestic maritime emissions in 2019–20 totalled 2,390 gigagrams (CO <sub>2</sub> equivalent)
<b>Methodology</b>	Analysis of data from the BITRE Australian Infrastructure Statistics Yearbook



In 2021–22, the department actively worked through the International Maritime Organization to implement measures to reduce international maritime emissions, while also ensuring that these measures did not distort trade or disproportionately affect Australian interests. In particular, the department effectively advocated for the adoption of a package of technical and operational ship efficiency improvement measures that come into effect from 1 January 2023. These measures seek to reduce the carbon intensity of international shipping by 40% by 2030, when compared to 2008 levels. Moving forward, the ongoing implementation of more efficient operational design and engine technology in the maritime sector is expected to have a positive effect in reducing overall transport CO<sub>2</sub> emissions.

## 28. Domestic CO<sub>2</sub> emissions and rate of emissions: aviation (per passenger kilometre)

Source: 2021–22 Portfolio Budget Statements p. 53, 2021–22 Corporate Plan p. 27

<b>2021–22 target</b>	The department does not set targets for emissions as it reports against an economy-wide framework (the National Greenhouse Gas Inventory)
<b>2021–22 result</b>	<p><b>No target</b></p> <p>Domestic aviation emissions in 2020–21 totalled 5,538 gigagrams (CO<sub>2</sub> equivalent). This is lower than the 8,179 gigagrams in 2019–20</p> <p>Note: Estimates on CO<sub>2</sub> emissions are revised annually, and results for the previous year may differ from the 2020–21 Annual Report</p>
<b>Previous result</b>	Domestic aviation emissions in 2019–20 totalled 8,680 gigagrams (CO <sub>2</sub> equivalent)
<b>Methodology</b>	Analysis of data from the BITRE Australian Infrastructure Statistics Yearbook 2021, 2020–21 information is the most current available for 2021–22 reporting

*This is the final reporting period for this measure*

The ongoing impact of COVID-19 on the aviation sector continues to be seen in reduced aviation activity within Australia. Both domestic and international aviation have not fully recovered to pre-COVID levels, although levels are likely to continue to slowly climb over time. With the gradual recovery of the economy, it is not feasible to determine whether movements in emissions levels were attributable to the impact of COVID-19, or rather industry and government-led initiatives to reduce emissions in the sector.

We report on emissions in accordance with an economy-wide framework, the National Greenhouse Gas Inventory, consistent with the United Nations Framework Convention on Climate Change (UNFCCC), the Kyoto Protocol and the Paris Agreement.

Emissions are influenced by demand and usage within the transport network, including for both commercial and personal reasons, across different modes.

Australia continues to participate in global initiatives to reduce international transport emissions, including implementation of the International Civil Aviation Organization Carbon Offsetting and Reduction Scheme for International Aviation, which is an industry-wide approach to cap international aviation emissions at a global baseline.

**Effectiveness measure: Supporting a safe and accessible transport system**

**29. Number of fatalities and fatality rate per 100,000 population: road**  
 Source: 2021–22 Portfolio Budget Statements pp. 40, 49 & 50, 2021–22 Corporate Plan p. 28

<b>2021–22 target</b>	Annual target setting not appropriate, results sought are long-term
<b>2021–22 result</b>	<p><b>No target</b></p> <p>In 2021, the preliminary figures (at March 2022, for the calendar year 2021) show a rate of annual deaths per 100,000 population of 4.36 – this is down from the baseline of 4.5</p>
<b>Previous result</b>	In 2020–21, there were 1,142 road fatalities. This is 6% lower than the average over the previous 10 years. In per-person terms, there were 4.4 road fatalities per 100,000 people, 13% lower than the average over the previous 10 years
<b>Methodology</b>	Analysis of road fatality data in the Australian Road Deaths Database

In 2021–22, the department contributed to reducing road trauma by working with state, territory and local governments, police agencies, road safety organisations and other stakeholders, facilitating national efforts to improve road safety outcomes. The National Road Safety Strategy was published in December 2021, to provide a national direction and targets for the next decade.

The 3-year \$3 billion Road Safety Program was announced in October 2020. It seeks to support the fast roll out of lifesaving road safety treatments on rural and regional roads and to deliver greater protection for vulnerable road users like cyclists and pedestrians in urban areas. In 2021–22, the department administered funding for the investment of 674 approved road safety infrastructure improvement projects.

The department also funded a number of non-infrastructure projects and programs to reduce road trauma. During 2021–22, the Year 9 school student pilot program RoadSet identified 58,000 students to receive pre-L plate learning, as a way to embed road safety practices prior to becoming a novice driver. The Keys2Drive Program was also enhanced during 2021–22 to expand uptake in regional areas where young drivers are over-represented in crashes. In addition, the Australian Design Rules mandated the fitment of advanced emergency braking for omnibuses, medium and heavy vehicles from 1 November 2023, and for passenger and light goods vehicles from 1 August 2024.

### 30. Number of fatalities and fatality rate per 100,000 population: rail

Source: 2021–22 Portfolio Budget Statements p. 49, 2021–22 Corporate Plan p. 28

<b>2021–22 target</b>	Annual target setting not appropriate, results sought are long-term
<b>2021–22 result</b>	<p><b>No target</b></p> <p>In 2021, there were 10 rail fatalities (excluding suicides and trespasses), 14% higher than the average over the previous 4 years. In per-person terms, that corresponds to 0.039 per 100,000 people, 12% higher than the average over the previous 4 years</p>
<b>Previous result</b>	In 2020 there were 9 rail fatalities (excluding suicides and trespasses), 4% higher than the average over the previous 3 years. In per-person terms, that corresponds to 0.035 per 100,000 people, 1% higher than the average over the previous 10 years
<b>Methodology</b>	Analysis of rail fatality data from the Office of the National Rail Safety Regulator. 2021 information is expected to be the most current available for 2021–22 reporting

*This is the final reporting period for this measure*

The department contributes to rail safety through infrastructure investment and supporting the oversight of the national rail safety framework together with the states and territories, and is committed to reducing fatal and serious injury in rail incidents in Australia. In 2021–22, the Regional Australia Level Crossing Safety Program was announced to improve level crossing safety in regional areas.

Many other factors impact on rail safety, particularly in the short-term, and immediate levers for reducing rail fatalities are more directly within the authority of states and territories. States and territories own infrastructure investment priorities and have oversight for level crossing safety. The Office of the National Rail Safety Regulator (enacted under the Rail Safety National Law in state and territory legislation and overseen by all governments), regulates rail safety matters through accreditation and registration of rail operators, enforcement and compliance activities.

### 31. Number of fatalities and fatality rate per 100,000 population: maritime

Source: 2021–22 Portfolio Budget Statements p. 49, 2021–22 Corporate Plan p. 28

<b>2021–22 target</b>	Annual target setting not appropriate, results sought are long-term
<b>2021–22 result</b>	<p><b>No target</b></p> <p>In 2021, there were 9 maritime transport fatalities, 76% higher than the average over the previous 10 years. In per-person terms, that corresponds to 0.035 per 100,000 people, 4% lower than the average over the previous 10 years</p>
<b>Previous result</b>	In 2020, there were 5 maritime transport fatalities, 4% higher than the average over the previous 10 years. In per-person terms, that corresponds to 0.019 per 100,000 people, 4% lower than the average over the previous 10 years
<b>Methodology</b>	Analysis of maritime fatality data from the Australian Transport Safety Bureau (ATSB) Maritime Occurrence Database. 2021 information is expected to be the most current available for 2021–22 reporting.

During 2021–22, the department worked with the Australian Maritime Safety Authority to oversee and maintain Australia’s regulatory framework for maritime activities.

In December 2021, the former government announced an independent review of Australia’s domestic commercial vessel safety legislation. The review is also considering costs and charging arrangements for the national system. The department provided secretariat support to the independent review panel.

### 32. Number of fatalities and fatality rate per 100,000 population: aviation

Source: 2021–22 Portfolio Budget Statements p. 53, 2021–22 Corporate Plan p. 28

<b>2021–22 target</b>	Annual target setting not appropriate, results sought are long-term
<b>2021–22 result</b>	<p><b>No target</b></p> <p>In 2021, there were 20 aviation fatalities, 39% lower than the average over the previous 10 years. In per-person terms, this corresponds to 0.078 per 100,000 people, 44% lower than the average over the previous 10 years</p>
<b>Previous result</b>	The number of fatalities in 2020–21 was 42 or 0.16 per 100,000 population
<b>Methodology</b>	Analysis of data from the ATSB Aviation Occurrence Statistics Report for rail, maritime and aviation fatalities, 2021 information is expected to be the most current available for 2021–22 reporting

During 2021–22, the department worked closely with the Civil Aviation Safety Authority (CASA), Airservices Australia and ATSB to support the Australian Government in maintaining and enhancing aviation safety.

In October 2021, the department led the development and release of the fifth edition of Australia’s Aviation State Safety Programme alongside the first edition of the National Aviation Safety Plan. These represent Australia’s response to the Global Aviation Safety Plan and the Asia Pacific Regional Aviation Safety Plan and fulfil Australia’s commitment to Annex 19 – Safety standards requirements under the Convention on International Civil Aviation (the Chicago Convention).

**Effectiveness measure: Supporting jobs through infrastructure investment**

**33. Estimated number of jobs supported over the life of the projects, from infrastructure investment projects underway during the financial year**

Source: 2021–22 Portfolio Budget Statements p. 40, 2021–22 Corporate Plan p. 28

<b>2021–22 target</b>	Investments support a work plan in which work requirements fluctuate. While it is appropriate to monitor employment impacts, it is not appropriate to set annual targets
<b>2021–22 result</b>	<b>No target</b>  Major land transport infrastructure projects underway in 2021–22 are expected to support over 120,000 direct and indirect jobs over the life of the projects
<b>Previous result</b>	Major land transport infrastructure projects underway in 2020–21 are expected to support 100,000 direct and indirect jobs over the life of the projects
<b>Methodology</b>	Employment information recorded in PoW monthly reports for projects underway or under construction, and employment information for Inland Rail and Western Sydney Airport.

*This is the final reporting period for this measure*

Investment in infrastructure projects boosts employment through direct job creation and by increasing demand for construction inputs such as cement, and through flow on effects to the broader economy. We facilitate investment in projects across the country, supporting local businesses and higher levels of participation for Aboriginal and Torres Strait Islander suppliers and workers.

## Results Matrix

Measures	Target met	Target partially met	Target not met	No target	Data not available
1. Progress of land transport infrastructure investment projects up to \$250 million	X				
2. Progress of land transport infrastructure investment projects over \$250 million	X				
3. Average time taken to prepare Infrastructure Investment Monthly PoW reports	X				
4. Progress of the implementation of a) the National Road Safety Strategy for the decade 2021 to 2030; and b) the National Road Safety Data Hub		X			
5. Progress of reforms for regulating vehicles and rail	X				
6. Progress of reforms to the disability standards for accessible public transport	X				
7. Satisfaction of regulated shipping entities					X
8. Performance of Tasmanian shipping programs, indicated through number of: a) claims paid (Tasmanian Freight Equalisation Scheme) b) rebates provided (Bass Strait Passenger Vehicle Equalisation Scheme)				X	
9. Effectiveness of international engagement on maritime matters	X				
10. Progress implementing the National Freight and Supply Chain Strategy for the next 20 years and beyond to 2040	X				
11. Implementation of Western Sydney International (Nancy-Bird Walton) Airport	X				
12. Implementation of Moorebank Intermodal Terminal	X				
13. Implementation of Intermodal Terminal Business Cases		X			
14. Implementation of Inland Rail		X			

Measures	Target met	Target partially met	Target not met	No target	Data not available
15. Implementation of Inland Rail Interface Improvement Program			X		
16. Percentage of Master Plans and Major Development Plans processed for federally leased airports within statutory timeframes	X				
17. Performance of the DANS and RANS programs, indicated through number of: a) domestic commercial airlines receiving DANS or RANS support b) locations receiving DANS or RANS flights	X				
18. Performance of the RAP and the RAU program, indicated through number of completed projects: a) in regional Australia (RAP) b) in remote Australia (RAU)	X				
19. Performance of the RASS Scheme, indicated through the number of remote communities directly visited on the regular "mail plane" service	X				
20. Effectiveness of international engagement on aviation matters	X				
21. Number of SPIDO priority projects available to the Australian Government for further consideration	X				
22. Expected travel time savings arising from infrastructure projects in the Infrastructure Investment Program receiving \$250 million or more in Australian Government funding	X				
23. Transport costs for road freight				X	
24. Transport costs for rail freight				X	
25. Domestic CO <sub>2</sub> emissions and rate of emissions: road (per vehicle kilometre)				X	
26. Domestic CO <sub>2</sub> emissions and rate of emissions: rail (per tonne kilometre)				X	

Measures	Target met	Target partially met	Target not met	No target	Data not available
27. Domestic CO <sub>2</sub> emissions and rate of emissions: maritime (per tonne kilometre)				X	
28. Domestic CO <sub>2</sub> emissions and rate of emissions: aviation (per passenger kilometre)				X	
29. Number of road fatalities and fatality rate per 100,000 population: road				X	
30. Number of rail fatalities and fatality rate per 100,000 population: rail				X	
31. Number of maritime fatalities and fatality rate per 100,000 population: maritime				X	
32. Number of aviation fatalities and fatality rate per 100,000 population: aviation				X	
33. Estimated number of jobs supported over the life of the projects, from infrastructure investment projects underway during the financial year				X	
<b>Total</b>	<b>16</b>	<b>3</b>	<b>1</b>	<b>12</b>	<b>1</b>





## Regional development, Northern Australia and cities

**Outcome 3 – Strengthening the sustainability, capacity and diversity of Australia’s cities and regions including through facilitating local partnerships between all levels of government and local communities; through investment in water infrastructure and measures that stimulate economic growth; and providing grants and financial assistance**

**Purpose – Improving living standards and facilitating economic growth in cities and regions, including Northern Australia**

We are committed to delivering outcomes that support Australians living in metropolitan centres as well as those in regional, rural and remote areas. We do this by managing government investments and working with all levels of government and communities to improve liveability, resilience and economic opportunities.

## Analysis

In 2020–21, regional areas had a net gain from the internal migration of 49,180 people. Most movement from capital cities went to regional areas in the same state – an existing trend that was hastened by COVID-19.

Natural disasters, border closures, limited migration and some movement to the regions contributed to workforce shortages, a lack of housing supply, and increased price pressures. The pandemic and associated supply chain issues restricted the availability of building supplies as well as access to skilled labour. While these factors impacted the delivery of a small number of projects, we worked closely with our delivery partners and local communities to identify solutions and ensure projects progressed. In most cases we managed impacts to remain within individual program timeframes stipulated in the published grant opportunity guidelines, and extended in a small number of cases.

City and Regional Deals are tailored to capitalise on each city or region's comparative advantages and assets, and to address challenges. They are bespoke solutions that reflect the unique needs of our cities and regional Australia and focus on priorities identified by local communities.

The 9 signed City Deals and 2 signed Regional Deals in this reporting period are being delivered with a combined Australian Government commitment of \$9.1 billion, which is leveraging an additional investment from other governments of \$10.5 billion. The 9 City Deals are expected to generate more than 222,000 direct and indirect jobs to 2042.

Liveability, productivity growth, access to jobs and reduced congestion were all adversely affected by the continuing impacts of the COVID-19 pandemic. Measurement and comparison of these impacts will be based on 2021 Census data.

The availability of data at the level of individual City and Regional Deals is limited. However, governance arrangements for each Deal continue to include Annual Progress Reports which highlight achievements and progress towards achieving objectives. Measures of progress for each City Deal are also considered during reviews of Implementation Plans.

The Office of Northern Australia (ONA) partners with jurisdictions, government agencies, and the Indigenous Reference Group to align resources and deliver long-term, sustainable growth in Northern Australia. The ONA, with key delivery partners, works to unlock the strategic potential and economic contribution of the north, and strengthen socio-economic parity for local communities.

The Indigenous Reference Group for Northern Australia has now been re-established with a refreshed membership, and will ensure First Nations voices and opportunities are at the heart of northern development. In keeping with the Australian Government's commitment to implement the Uluru Statement from the Heart, our role in developing Northern Australia is grounded in a genuinely inclusive approach that encompasses all Australians.

Our work also recognises the importance of social infrastructure, including some of the 600 First Nations outstations or homelands in the north, in achieving economic and social prosperity across Northern Australia whilst supporting industry to expand and create regional jobs.

## Results

**Key activity: Provide policy leadership and deliver programs to support regional development and local governments**

### 34. Performance in delivering regional programs indicated through projects contracted, completed and funds expended for:

- a) Community Development Grants
- b) Stronger Communities Program (Round 5)
- c) Building Better Regions Fund (Round 4)
- d) Regional Growth Fund

Source: 2021–22 Portfolio Budget Statements p. 62, 2021–22 Corporate Plan p. 34

<b>2021–22 target</b>	<p>By June 2022:</p> <p>a–c) <math>\geq 90\%</math> of all commitments contracted; and <math>\geq 70\%</math> of 2019 commitments completed</p> <p>d) On track for all projects to be completed by June 2023</p>
<b>2021–22 result</b>	<p><b>Target partially met</b></p> <p>a–c) Target partially met, with 96.9% of all commitments up to 2019 contracted, but only 56% of 2019 commitments completed</p> <ul style="list-style-type: none"> <li>a. At 30 June 2022, of the 1,519 Community Development Grants (CDG) Program projects, 1,397 (92%) were contracted and 1,105 (73%) were completed (\$1.3 billion expended)</li> <li>b. At 30 June 2022, of the 15,151 Stronger Communities Program projects, 15,151 (100%) were contracted and 11,967 (79%) were completed (\$143.5million expended in progress and completed). The data provided is for Round 1 to 7</li> <li>c. At 30 June 2022, of the 1,293 Building Better Regions Fund Projects, 1,287 (99%) were contracted and 768 (59%) were completed (\$591.5 million expended in progress and completed)</li> <li>d) On track for all projects to be completed by June 2023.</li> <li>d. At 30 June 2022 Regional Growth Fund 's target met, with 15 projects anticipated to be completed by 30 June 2023 and 2 projects terminated. At 30 June 2022, of the 17 Regional Growth Fund projects, 15 were contracted (88%) and 2 (12%) were terminated (\$114.6 million expended)</li> </ul>
<b>Previous result</b>	<ul style="list-style-type: none"> <li>a) At 30 June 2021, of the 1,440 CDC Program projects, 1,253 were contracted and 915 were completed (\$1.073 billion expended)</li> <li>b) At 30 June 2021, of the 12,885 Stronger Communities Program projects, 12,855 were contracted and 10,330 were completed (\$121.83 million expended). The data provided is for Round 1 to 6</li> <li>c) At 30 June 2021, of the 995 Building Better Regions Fund Projects, 984 were contracted and 651 were completed (\$466.3 million expended)</li> </ul> <p>At 30 June 2021, of the 17 Regional Growth Fund projects, 17 were contracted and 2 completed (\$51.4 million expended)</p>
<b>Methodology</b>	Analysis of departmental records

Of the total 1,519 CDG commitments, 1,397 commitments, representing 92%, have been able to be contracted, surpassing the 2021–22 target of 90%. The remaining 122 are uncontracted due to factors outside of the control of the department, such as:

- > not enough information received to undertake a value with relevant money assessment
- > the announcement of the election and caretaker conventions commencing
- > multiple competing priorities for grantees to allocate resources.

Of the total 522 CDG commitments in 2019, 291 (representing 56%), have been completed, falling short of the 70% completed target. Factors affecting delivery include:

- > COVID-19 impacts (supplies and restrictions)
- > availability of tradespeople
- > inflated costs
- > weather
- > unforeseen funding shortfalls.

### 35. Financial assistance is provided to local government

Source: 2021–22 Portfolio Budget Statements p. 63, 2021–22 Corporate Plan p. 34

<b>2021–22 target</b>	Assistance is provided in accordance with the <i>Local Government (Financial Assistance) Act 1995</i>
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>\$3.5 billion in financial assistance was provided in 2021–22</p> <p>The Australian Government provided a total of \$3.5 billion in untied funds under the Financial Assistance Grant program. This included an early payment of 75% of the 2022–23 estimated entitlement (\$2.1 billion) to give councils immediate access to funds to help manage the cumulative impacts of drought, bushfires and the COVID-19 pandemic</p>
<b>Previous result</b>	\$2.606 billion in financial assistance was provided in 2020–21
<b>Methodology</b>	Analysis of departmental records

In 2021–22, we continued to administer the Financial Assistance Grants Program. A payment of 50% of the allocation for 2021–22 was paid early on 7 June 2021. Throughout the financial year, a total of \$3.5 billion was paid to state and territory governments, for immediate distribution to local governing bodies, including a payment of 75% of the allocation for 2022–23, which was paid on 11 April 2022. Local governments were able to spend the funds according to local priorities, improving their capacity to provide an equitable level of services.

Table 4.2 Financial assistance to jurisdictions, 2021–22

Jurisdiction	General purpose	Local roads	Total
NSW	\$771,161,674	\$314,800,579	\$1,085,962,252
VIC	\$626,097,531	\$223,693,467	\$849,790,998
QLD	\$495,210,064	\$203,294,434	\$698,504,498
WA	\$260,583,211	\$165,902,329	\$426,485,540
SA	\$171,413,893	\$59,629,621	\$231,043,514
TAS	\$53,949,224	\$57,498,797	\$111,448,021
NT	\$23,767,985	\$25,416,580	\$49,184,565
ACT	\$43,062,595	\$34,791,885	\$77,854,479
Total	\$2,445,246,177	\$1,085,027,692	\$3,530,273,867

### 36. Number of Regional Deal commitments on track to be completed within agreed timeframe

Source: 2021–22 Portfolio Budget Statements p. 62, 2021–22 Corporate Plan p. 34

<b>2021–22 target</b>	100% of projects on track to be completed by their scheduled timeframes
<b>2021–22 result</b>	<p><b>Target partially met</b></p> <p>Most projects are on track to be completed by their scheduled completion date. Strategies are in place to address projects behind schedule</p>
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Analysis of departmental records tracking project milestones and partners' reporting

Delivery of the Barkly Regional Deal is on track against the published Implementation Plan, with 3 initiatives completed and critical work underway to examine and reform government investment.

Delivery of the Hinkler Regional Deal is on track, with 4 projects completed: the Hervey Bay Airport redevelopment, Bargara Ag-Tech Facility, Fraser Coast Hospice and Childers Road overtaking lanes. The remaining projects continue to progress.

While a small number of projects are currently behind schedule, we are working closely with all partners to ensure barriers are addressed, projects continue to progress to revised timelines and Deals remain on track overall.

## Key activity: Advise on and deliver City Deals

**37. Number of City Deal commitments on track to be completed within agreed timeframe**

Source: 2021–22 Portfolio Budget Statements p. 64, 2021–22 Corporate Plan p. 34

<b>2021–22 target</b>	100% of projects on track to be completed by their scheduled timeframes
<b>2021–22 result</b>	<b>Target partially met</b>  Most projects are on track to be completed by their scheduled completion date. Strategies are in place to address projects behind schedule
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Analysis of departmental records tracking project milestones and partner's reporting

The delivery of the following 9 City Deals is outlined below:

- > 24 projects in the Adelaide City Deal have been completed and the remaining projects are proceeding
- > 5 commitments in the Darwin City Deal have been completed, with remaining projects on schedule
- > 7 projects in the Geelong City Deal have been completed and the remaining projects are proceeding
- > 3 projects in the Hobart City Deal have been completed, remaining projects are underway or in the pre-planning stage
- > 15 projects in the Launceston City Deal have been completed, with the remaining on track for completion
- > one project in the Perth City Deal has been completed, and the remaining are in the delivery phase or early stages of planning
- > 11 projects in the Townsville City Deal have been completed, with 9 projects on track for completion
- > 15 projects in the Western Sydney City Deal have been completed, with 23 projects on track for completion.

While a small number of projects are currently behind schedule, we are working closely with all partners to ensure barriers are addressed, projects continue to progress to revised timelines and Deals remain on track overall.

**Key activity: Actively implement Our North, Our Future: 2021–2026**

<b>38. Implementing Our North, Our Future: 2021–2026</b>	
<small>Source: 2021–22 Corporate Plan p. 35. Measure not included in 2021–22 Portfolio Budget Statements due to MoG</small>	
<b>2021–22 target</b>	Implementation of Our North, Our Future: 2021–2026 initiatives Implement an evaluation framework which includes identifying indicators and a methodology for performance monitoring, and establishing a baseline
<b>2021–22 result</b>	<b>Target partially met</b>  Initiatives are on track to be completed by their scheduled completion date. Strategies are in place to address risks or delays to delivery schedules
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Analysis of departmental records tracking project milestones and partner’s reporting, combined with analysis of performance against indicators identified in the monitoring and evaluation framework will be used in forward years

The implementation of *Our North, Our Future: 2021–2026* initiatives is outlined below:

- > Implementation of the \$9.3 million Regions of Growth initiative has commenced, with consultants engaged in April 2022 to undertake economic analyses of the 3 regions: Mount Isa to Townsville (Qld); Beetaloo Basin to Katherine to Darwin (NT); and Broome to Kununurra to Darwin (WA and NT). This analysis of supply chains and economic and social trends overlapped with analysis of emerging industries will support identification of opportunities and places for future economic or social investment.
- > Through the Northern Australia grants program (Northern Australia Development Program and the Northern Australia Business and Community Growth Program), almost \$80 million in funding was awarded to 30 organisations to expand, diversify or scale up their operations in Northern Australia. Over 100 businesses across the north are being provided access to the Strengthening Northern Australia Business Advisory Service. This investment has leveraged \$238.80 million in total project contributions and is expected to create over 900 long term jobs, including close to 100 Indigenous positions, based in the north.
- > \$68.5 million (GST exclusive) for the Connecting Northern Australia initiative to improve telecommunications infrastructure across Northern Australia is being delivered through the Regional Connectivity Program. This investment will provide new and improved mobile voice and data coverage, fixed wireless and fibre broadband services, and improved microwave and fibre backhaul capacity to locations across regional, rural and remote Australia.



- > Development of the Northern Australia Monitoring, Evaluation and Reporting Framework has commenced, with delivery expected by April 2023. This framework will provide a coordinated approach to reporting whole-of-government outcomes, integrate an evidence base for the design of future policy and programs, and identify where qualitative data is relied upon.
- > The Indigenous Reference Group for Northern Australia was re-established with a refreshed membership, with the first meeting held in February 2022 in Darwin, Northern Territory.

**Effectiveness measure: Improving living standards and facilitating economic growth in regions including Northern Australia**

### 39. Estimated number of jobs supported over the life of projects, from regional development projects underway during the financial year (based on proponent reported data)

Source: 2021–22 Portfolio Budget Statements p. 62, 2021–22 Corporate Plan p. 35

<b>2021–22 target</b>	Programs support projects for which work requirements fluctuate. While it is appropriate to monitor jobs supported, it is not appropriate to set annual targets
<b>2021–22 result</b>	<b>No target</b> While it is appropriate to monitor jobs supported, it is not appropriate to set annual targets
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Analysis of applicant information about expected and actual job impacts of funded projects

*This is the final reporting period for this measure*

Project application information includes anticipated number of full-time equivalent employees expected throughout the life of a project. This figure does not breakdown across multiple financial years or identify the job types (i.e. construction, design, approvals).

#### 40. Percentage of Regional Development Australia (RDA) Committees achieving agreed outcomes as demonstrated by:

- a) stakeholders satisfied with the performance of their RDA
- b) departmental review of RDA reporting

Source: 2021–22 Portfolio Budget Statements p. 62, 2021–22 Corporate Plan p. 35

<b>2021–22 target</b>	≥90% of RDAs rated satisfactory or above
<b>2021–22 result</b>	<b>Target met</b> >90% of RDAs rated satisfactory
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Analysis of stakeholder survey results and review of RDA reporting to the department

*This is the final reporting period for this measure*

RDAs continued to work with local stakeholders to facilitate economic development outcomes for their regions. During the reporting period they contributed to policy making through the provision of regional intelligence to the government while also assisting government to implement its programs where appropriate. The department has further enhanced the governance guidance and support it provides to RDAs to ensure more consistent performance across the network.

#### 41. Impact of projects supported by Northern Australia Infrastructure Facility (NAIF) during the financial year, indicated through:

- a) total number of new jobs created
- b) total number of new Indigenous jobs created

Source: 2021–22 Corporate Plan p. 36

<b>2021–22 target</b>	Year-on-year increase
<b>2021–22 result</b>	<b>Target met</b> a) 3,713 jobs created or supported b) Not available
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	NAIF obtains jobs data from project proponents for each individual project. Detailed information is available at <a href="https://naif.gov.au/what-we-do/public-benefit/">https://naif.gov.au/what-we-do/public-benefit/</a>

Data was provided to the department by the NAIF, which relies on information provided by project proponents. For the 2021–22 financial year, the NAIF made 8 Investment Decisions to offer loans totalling \$668 million. The Investment Decisions are forecast to generate around \$12 billion in economic benefit and create more than 4,500 jobs, during construction and operations, to cover the life of these projects.

All NAIF projects are required to have an Indigenous engagement strategy where the proponent sets out objectives for Indigenous participation, procurement and employment. However, the NAIF does not directly capture or validate data in relation to the total number of new Indigenous jobs supported. The NAIF’s data metrics in relation to Indigenous engagement focus on participation and procurement.

The NAIF is responsible for the collection and verification of data related to projects financed by the NAIF.

**Effectiveness measure: Improving living standards and facilitating economic growth in cities across Australia**

<p><b>42. City Deals contributing to city:</b></p> <p><b>a) productivity</b></p> <p><b>b) liveability</b></p> <p>Source: 2021–22 Portfolio Budget Statements p. 64, 2021–22 Corporate Plan p. 36</p>	
<b>2021–22 target</b>	In 2021–22, reporting shows improvements in >50% of indicators analysed
<b>2021–22 result</b>	<p><b>Target not met</b></p> <p>a) Productivity growth: Results vary by city</p> <p>b) Liveability: Median house prices in the year to March 2022 increased in all capital cities and regions</p>
<b>Previous result</b>	<p>a) Productivity growth: The 5-year average employment growth rate for the 2015–20 period was positive for all cities, with the exception of Darwin</p> <p>b) Liveability: Median dwelling price to median income ratios to the end of 2020 were relatively stable. Darwin saw the largest increase at 0.5, while Perth and Adelaide recorded a 0.2 decrease</p>
<b>Methodology</b>	<p>Analysis of performance against v, vi or vii* indicators in each City Deal location, comparing most recent available annual data to next most recent data:</p> <ul style="list-style-type: none"> <li>i. employment growth</li> <li>ii. share of jobs within 30 minutes</li> <li>iii. median dwelling price to median income ratio</li> <li>iv. peak travel delay</li> <li>v. access to open space</li> <li>vi. access to social infrastructure*</li> <li>vii. walkability*</li> </ul> <p>* Subject to sourcing appropriate data. The department is working with the Australian Urban Observatory to deliver time-series data for a range of liveability measures, including those informed by Census 2021 information as it is progressively released in 2022–23. In addition to the department’s Bureau of Communications, Arts and Regional Research is continuing to assess liveability measurements for both city and regional areas.</p>

*This is the final reporting period for this measure*

City and Regional Deals are implemented over the medium to long term (between 5 and 20 years). While some benefits can be measured on an annual basis, the collective value of the Deal will accrue over its lifetime. The assessment of benefits over recent years is subject to analysis of the 2021 Census data.

The Australian Government's investment of \$8.9 billion has leveraged funding of nearly \$10.5 billion from state and territory governments, local governments and other contributors. City Deals are estimated to create 222,190 jobs, with more than 8,000 jobs created to March 2022.

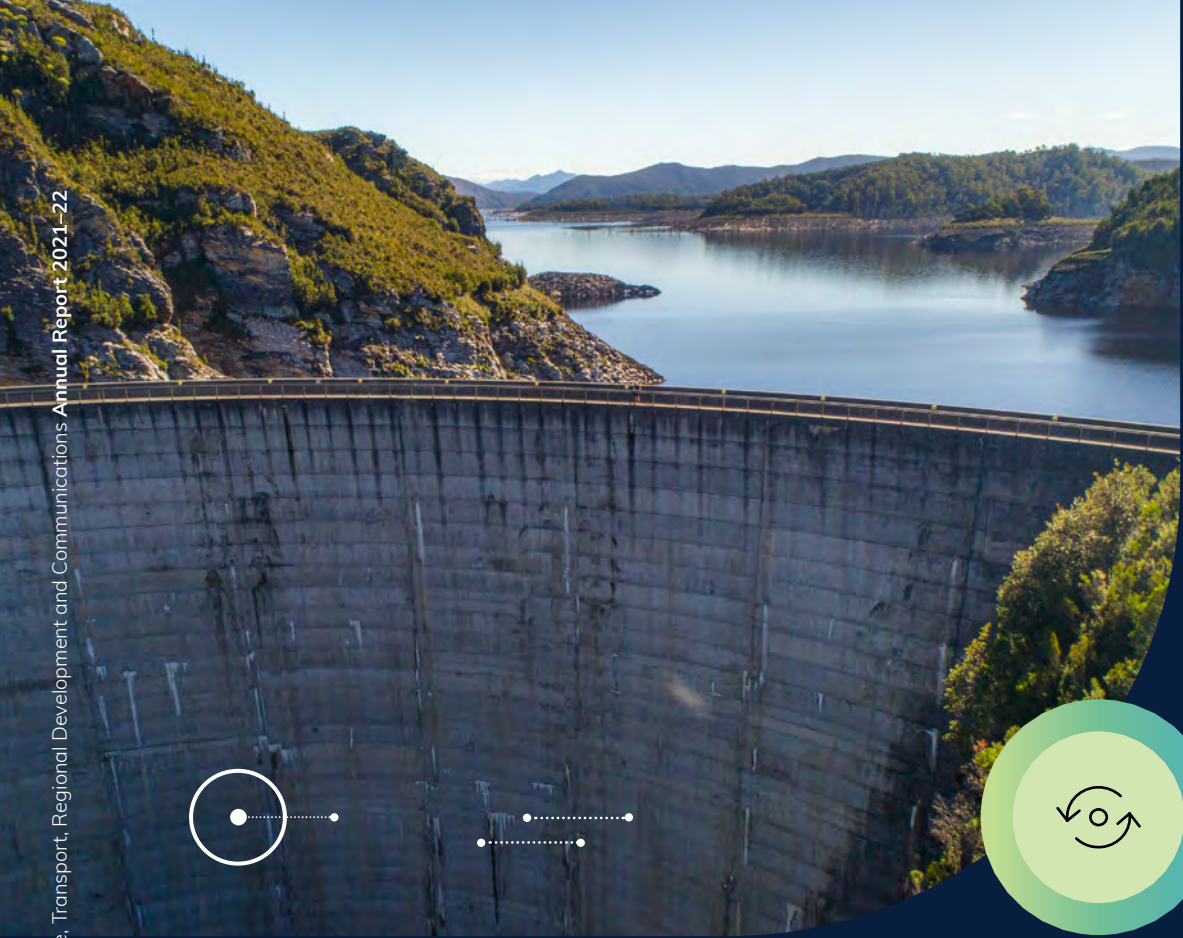
Key indicators include:

- > **Reduced congestion:** Reduced travel times were experienced in Sydney and Wollongong, partly due to extended lockdowns. Remaining capital and major metropolitan centres experienced an increase in travel times. Data from 2020 reflects COVID-19 related lockdowns, which resulted in a reduction in congestion. Many centres have returned to pre-COVID travel patterns.
- > **Employment growth:** Results are mixed with strong growth in some cities, and declines in others. Geelong remains the city with the highest growth rate. Darwin experienced the biggest decline in employment.
- > **Liveability:** Median house prices in the year to March 2022 increased in all capital cities and regions. Smallest increases were in Perth, Western Australia, and the Northern Territory, with increases of less than 5%. Nationally, the strongest annual rises in median house prices were in regional Tasmania and Brisbane, of around 30%.

The department is working with stakeholders to access updated information on the status of the walkability of neighbourhoods, access to public open space, access to social infrastructure and peak travel delay in City Deal locations. Baseline data from 2019 has been established for each of these measures.

## Results Matrix

	Target met	Target partially met	Target not met	No target	Data not available
34. Performance in delivering regional programs indicated through projects contracted, completed and funds expended for: a) Community Development Grants b) Stronger Communities Program (Round 5) c) Building Better Regions Fund (Round 4) d) Regional Growth Fund		X			
35. Financial assistance is provided to local government	X				
36. Number of Regional Deal commitments on track to be completed within the agreed timeframe		X			
37. Number of City Deal commitments on track to be completed within the agreed timeframe		X			
38. Implementing <i>Our North, Our Future: 2021–2026</i>		X			
39. Estimated number of jobs supported over the life of projects, from regional development projects underway during the financial year (based on proponent reported data)				X	
40. Percentage of Regional Development Australia (RDA) Committees achieving agreed outcomes as demonstrated by: a) Stakeholders satisfied with the performance of their RDA b) Departmental review of RDA reporting	X				
41. Impact of projects supported by the Northern Australia Infrastructure Facility (NAIF) during the financial year, indicated through: a) total number of new jobs created b) total number of new Indigenous jobs created	X				
42. City Deals contributing to city: a) Productivity b) Liveability				X	
<b>Total</b>	<b>3</b>	<b>4</b>	<b>1</b>	<b>1</b>	<b>0</b>



## Water infrastructure

**Outcome 3 – Strengthening the sustainability, capacity and diversity of Australia’s cities and regions including through facilitating local partnerships between all levels of government and local communities; through investment in water infrastructure and measures that stimulate economic growth; and providing grants and financial assistance**

**Purpose – Supporting regional growth and resilience through building water infrastructure that improves water availability, connectivity, reliability and security for agricultural and other primary industry users**

Water infrastructure is essential in ensuring communities across regional Australia are resilient and able to grow. Through the National Water Grid Fund (NWGF) and the National Water Grid Authority (NWGA), the Australian Government is future-proofing Australia's water resources to enable regional and remote communities as well as agricultural industries, to deal with the challenges of climate change and population growth, and improve liveability. The NWGF provides for a long term, co-ordinated approach to water infrastructure planning and investment. Critical to the success of these investments and the work that the NWGA is doing, is a close working relationship with state and territory governments, informed by the local knowledge and expertise of local government.

## Analysis

The Australian Government, through the NWGF, supports state and territory governments in the regulation, planning, management and allocation of water resources, including infrastructure development and maintenance. These projects are tailored to the needs of our regions and aim to support primary industries, unlock potential, promote the growth and sustainability of regional economies, and build resilience.

Market constraints in the construction industry have had, and will continue to have, an effect on the delivery of water infrastructure projects, particularly large projects.

## Results

**Key activity: Manage water infrastructure projects under the NWGF, as informed by the NWGA's science program**

### 43. Progress of water infrastructure capital projects

Source: 2021–22 Corporate Plan p. 40

<b>2021–22 target</b>	Projects progressed in accordance with agreed timeframes in each financial year
<b>2021–22 result</b>	<b>Target partially met</b> 78 out of 102 payment milestones were met as scheduled
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Project status meetings with state and territory governments, information from which is captured in a NWGF monthly report

At the beginning of 2021–22, projects funded through the NWGF had 67 milestones scheduled for the financial year. The numbers of milestones due for completion in 2021–22 then increased to 102 as new projects were committed to and included in schedules. Uncontracted projects have not been included in these numbers as there are no agreed timeframes for these projects against which they could be measured.

There were 78 out of the 102 agreed milestones met for 2021–22. The remaining 24 milestones (across science, business case and construction projects) were not met, due to delays in project progress stemming from approvals/tender process delays, weather impacts, COVID-19 and market capacity related impacts. Action is underway to remediate and ensure that project milestones are met.

**Effectiveness measure: Supporting regional growth and resilience through building water infrastructure**

**44. Estimated number of construction and ongoing jobs supported over the life of the projects, from NWGF capital projects**

Source: 2021–22 Corporate Plan p. 41

<b>2021–22 target</b>	Completed projects deliver 2 construction jobs and at least 4 ongoing employees per \$ million of NWGF funding expensed
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>There were 6.2 construction jobs and 7.6 ongoing jobs supported across the completed projects, per \$ million of NWGF funding invested</p>
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Analysis of project documentation generated from state and territory governments

There are 35 standalone construction project commitments under the NWGF, to 30 June 2022. Of these, 9 projects have reached completion. These 9 projects had a combined NWGF investment of \$97.9 million and supported an estimated 610 jobs during construction and around 750 ongoing direct and indirect jobs.



*Effectiveness measure: Water infrastructure that improves water availability, connectivity, reliability and security for agricultural and other primary industry users*

#### 45. Expected increase in the availability and reliability of water arising from projects receiving NWGF capital funding

Source: 2021–22 Corporate Plan p. 41

<b>2021–22 target</b>	For completed projects, an annual increase of 180 megalitres of water available for productive use per annum and at least 30 hectares of additional irrigable land and new areas serviced per \$ million of NWGF funding expended
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>Completed projects are making 548 megalitres per annum available for productive use per \$ million of NWGF funding expended</p> <p>Completed projects supported 2,029 hectares in irrigable land and new areas serviced per \$ million of NWGF funding expended</p>
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Analysis of project documentation generated from state and territory governments

The 9 completed NWGF projects, with a total NWGF investment of \$97.9 million, provided nearly 54,000 megalitres of water for productive use per annum. These projects also supported nearly 200,000 hectares of irrigable land and new areas serviced.

#### 46. Expected ongoing increase in gross value of agriculture and industrial production arising from projects receiving NWGF capital funding

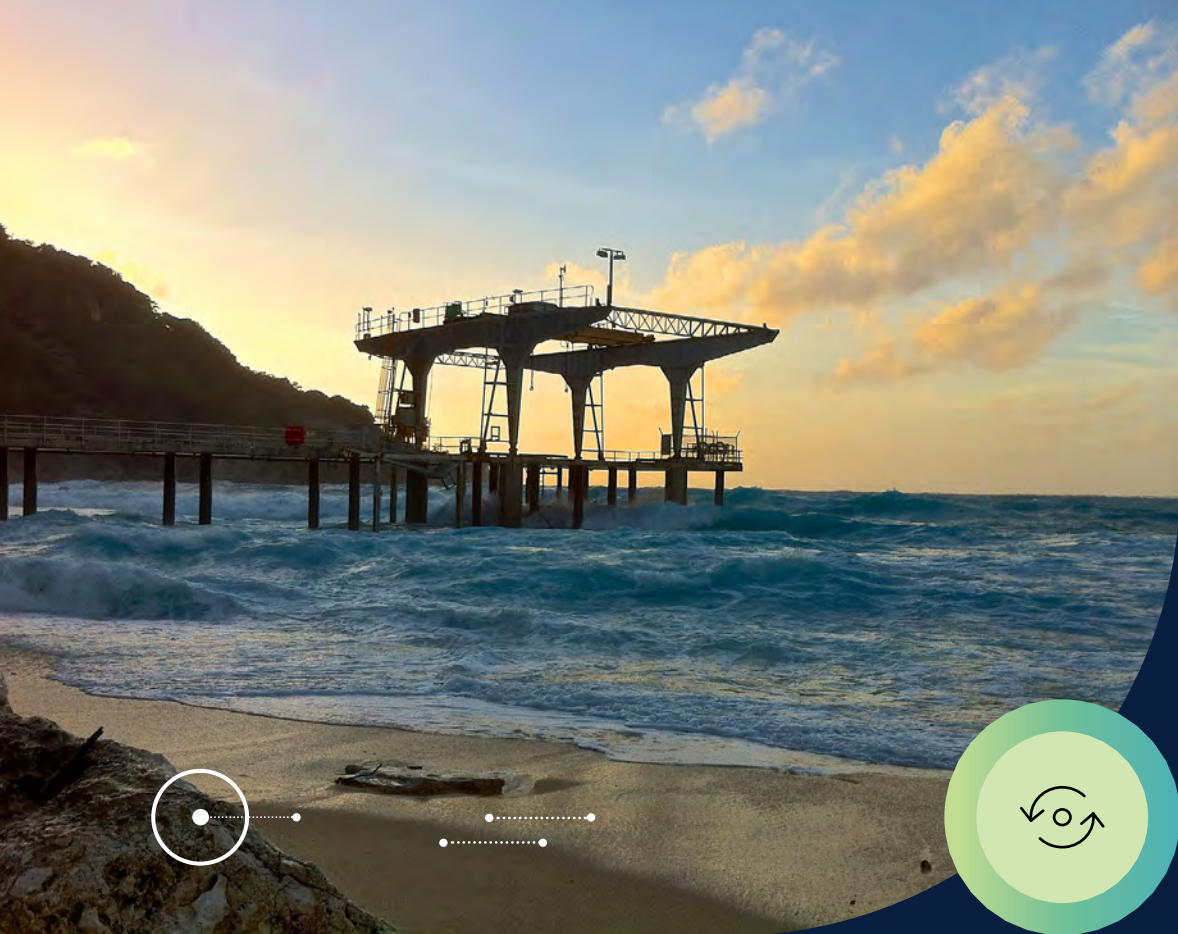
Source: 2021–22 Corporate Plan p. 41

<b>2021–22 target</b>	For completed projects, an annual increase of \$900,000 per annum per \$ million of NWGF funding expended
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>Completed projects delivered an estimated increase of \$1.7 million per annum in the gross value of agricultural and industrial production per \$ million of NWGF funding expended</p>
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Analysis of project documentation generated from state and territory governments

The 9 completed projects, with a total NWGF investment of \$97.9 million, are estimated to be generating an additional \$162 million in the gross value of agricultural and industrial production.

## Results Matrix

Measures	Target met	Target partially met	Target not met	No target	Data not available
43. Progress of water infrastructure capital projects		X			
44. Estimated number of construction and ongoing jobs supported over the life of the projects, from NWGF capital projects	X				
45. Expected increase in the availability and reliability of water arising from projects receiving NWGF capital funding	X				
46. Expected ongoing increase in gross value of agriculture and industrial production arising from projects receiving NWGF capital funding	X				
<b>Total</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>



## Territories

**Outcome 4 – Good governance and service delivery in the Australian territories, including through the maintenance and improvement of the laws and services for non-self-governing territories, and the overarching legislative framework for self-governing territories**

**Purpose – Providing governance frameworks and services to support communities in the territories**

We administer essential infrastructure and services to residents of Norfolk Island, Christmas Island, the Cocos (Keeling) Islands and the Jervis Bay Territory. We also administer the Ashmore and Cartier Islands and the Coral Sea Islands territories, and manage national interests in the Australian Capital Territory and Northern Territory.

## Analysis

In the second half of 2021, Australia's external territories recorded cases of COVID-19 for the first time. Protecting these remote and vulnerable communities involved travel restrictions and medical support from mainland Australia. Territory communities, local community events and tourism were all impacted by COVID-19 but continue to adapt to new ways of living and working.

Norfolk Island saw a significant change in 2021–22, with a transition from the New South Wales Government as a state service support partner to having the Queensland Government provide state-type services. The New South Wales Government provided services to Norfolk Island up to 31 December 2021, to facilitate the transition of service delivery to the Queensland Government on 1 January 2022.

We established and rolled-out arrangements for service delivery under the Intergovernmental Agreement (IGA) between the Australian and Queensland governments, for education, health support, and central policy and coordination. As further services are agreed upon, additional schedules will be added to the IGA.

We worked not only to protect local communities but also to support their economic recovery. Throughout the year, we endeavoured to ensure the delivery of 22 projects on Norfolk Island and 23 projects in the Indian Ocean Territories. These projects were funded through \$13.5 million of additional Australian Government COVID-19 economic stimulus to support remote communities and the businesses of the external territories.

This tailored economic package of community infrastructure and tourism promotion projects was made available in recognition of the Commonwealth's special role in the governance of the territories.

## Results

*Key activity: Provide essential infrastructure and fund and deliver services to residents of Norfolk Island, Christmas Island, the Cocos (Keeling) Islands and the Jervis Bay Territory*

*Key activity: Administer the Ashmore and Cartier Islands and the Coral Sea Island Territories, and manage national interests in the ACT and NT*

*Key activity: Improve the legislative frameworks in the territories, to optimise governance arrangements and to support changes in the service delivery landscape*

*Effectiveness measure: Providing governance frameworks and services in the territories*

### 47. Commonwealth legal and governance frameworks in Australia's territories are appropriate for the protection and wellbeing of the communities

Source: 2021–22 Portfolio Budget Statements p. 68, 2021–22 Corporate Plan p. 45

<b>2021–22 target</b>	Legal and governance frameworks are improved each financial year to be increasingly comparable to other Australian jurisdictions, with territory-specific modifications as necessary
<b>2021–22 result</b>	<b>Target met</b> Legal and governance frameworks are in place, and were modified where necessary
<b>Previous result</b>	Legal and governance frameworks are in place, and are being modified where necessary to make improvements and align with other Australian jurisdictions
<b>Methodology</b>	Review of state-type frameworks and advice from state service providers: <ul style="list-style-type: none"> <li>&gt; information about the state-level laws that have been applied in the territories is published on the Federal Register of Legislation as soon as a law is registered</li> <li>&gt; the Federal Register of Legislation records all laws applied in the territories</li> <li>&gt; for the Jervis Bay Territory, the Federal Register of Legislation records all ordinances specifically made for the territory.</li> </ul>

In 2021–22, the department undertook a significant body of work to update the Norfolk Island legislative framework to reflect the transition from New South Wales to Queensland as the primary state services provider. A number of Queensland laws were then applied in Norfolk Island to support service delivery, primarily in education and health.

We completed an ongoing project to manage a suite of sunseting ordinances in the Australian Capital Territory concerning the management of National Land, including modernising laws regulating the use of Lake Burley Griffin and national memorials. This work refreshed the operation of these laws to bring about greater alignment with other laws and to make sure they continued, where they would otherwise have lapsed.

The department introduced new ordinances to amend applied Western Australia fisheries laws on Christmas Island and the Cocos (Keeling) Islands. These ordinances establish new recreational fishing rules for the unique marine ecosystems of each territory. The ordinances will support a new, contemporary fisheries management framework to be created in Australia’s Indian Ocean Territories, in consultation with local communities and key stakeholders. An ordinance was also introduced to apply Western Australia heritage laws on Christmas Island, providing for the heritage management of freehold properties on the island consistent with arrangements on the mainland. We also continue to deliver legislative instruments to manage the response to COVID-19 in the territories. This includes instruments to support emergency management arrangements in the external territories and public health orders for the Jervis Bay Territory.

#### 48. Communities in the external territories and Jervis Bay Territory have comparable services and essential infrastructure to mainland Australia

Source: 2021–22 Portfolio Budget Statements p. 68, 2021–22 Corporate Plan p. 45

<b>2021–22 target</b>	Service delivery arrangements and contracts in each financial year deliver comparable services and essential infrastructure to mainland Australia
<b>2021–22 result</b>	<div style="background-color: #c6e0b4; padding: 2px;"><b>Target met</b></div> <p>State-type services and essential infrastructure were delivered</p>
<b>Previous result</b>	State-type services and essential infrastructure were delivered
<b>Methodology</b>	<p>Analysis of contracts in place with service providers. Analysis of data on the My School website – specifically the teacher to student ratio</p> <p>Review of the most recent comparative analysis of health services provided in the territories</p>

In 2021–22, we delivered fit-for-purpose services to the non-self-governing territories through service delivery arrangements with state government agencies, contractual arrangements with private sector entities and funding to local governments. The IGA entered into by the Australian and Queensland governments in October 2021, provides stability and certainty of state-type service provision for the Norfolk Island community. This agreement will allow for the extension of state services beyond health and education to provide rights and protections similar to Australian mainland communities.

We managed the provision of critical infrastructure in the non-self-governing territories through a program of maintenance, replacement and repairs. For example, \$15.8 million has been allocated over 4 years, from 2022–23 to 2025–26 to improve the Jervis Bay Territory’s water supply and wastewater systems, by connecting the territory to the Shoalhaven City Council water supply. Our capability to effectively manage critical infrastructure has recently been enhanced with the implementation of a new asset management framework. This framework is designed to improve the ability to strategically manage critical infrastructure in support of essential services across the territories.

Analysis of data on the My School website has been limited to the teacher-to-student ratios as the data for school finances has not yet been released by the Australian Curriculum, Assessment and Reporting Authority (ACARA). ACARA is responsible for the collection, management, analysis, evaluation and reporting of statistical and related information about the educational outcomes of schooling for young Australians.

Following COVID-19 outbreaks and travel restrictions, Air New Zealand was unable to provide regular government underwritten passenger flights to Norfolk Island. In response, Qantas was engaged to deliver replacement services, ensuring flight disruptions were minimised. In addition, we negotiated with airlines and freight providers to adjust air passenger services and freight capacity to strengthen supply chains and support the local economies and communities in the Indian Ocean Territories and Norfolk Island.

Health services in the external territories have received ongoing support and additional resources to assist with surge capacity and local testing and contact tracing requirements related to the COVID-19 pandemic. We secured the equipment and resources necessary to administer the Pfizer vaccine in whole-of-community roll-outs for the Norfolk Island, Christmas and Cocos (Keeling) Islands, and the Jervis Bay Territory.

## Results Matrix

Measures	Target met	Target partially met	Target not met	No target	Data not available
47. Commonwealth legal and governance frameworks in Australia’s territories are appropriate for the protection and wellbeing of the communities	X				
48. Communities in the external territories and Jervis Bay Territory have comparable services and essential infrastructure to mainland Australia	X				
<b>Total</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>





## Communications connectivity

**Outcome 5 – Promote an innovative and competitive communications sector through policy development, advice and program delivery, so all Australians can realise the full potential of digital technologies and communications services**

**Purpose – Enabling people in Australia to connect to effective, safe communications services and enabling investment in communications technologies, for inclusiveness and sustainable economic growth**



We are committed to providing an environment in which all Australians can safely access and benefit from communications services.

We work to support postal and telecommunications connectivity for inclusiveness and economic growth.

## Analysis

Our work ensures all Australians are able to access safe communications services. While online platforms are global in nature, our policies, legislation and regulations place a priority on the safety of Australians in the online environment. It is critical that Australia has a fit-for-purpose legislative framework, especially as the online environment is characterised by rapidly changing technology, platforms and services where consumers, particularly children, are quick to take up new products, applications and services.

The department supported the government to develop reforms to the media sector. This work culminated with the release of the *Media Policy Statement: Green Paper Response and Next Steps* on 7 February 2022. The measures announced by the Australian Government as part of the Statement included:

- > the formation of a Future of Broadcasting Working Group to provide a forum to progress issues relating to broadcasting technologies
- > a proposed Streaming Services Reporting and Investment Scheme and a National Broadcasters Reporting Framework to enhance transparency and encourage investment in Australian content
- > a \$10 million Journalist Fund to support the provision of public interest journalism in regional Australia.

The department provided advice to government and supported the implementation of these initiatives over the remainder of 2021–22.

We have strengthened our online safety legislation to support Australians to engage confidently and safely in an online world. We seek to meet the community's expectations in the interests of child safety, harmful content and the non-consensual sharing of images.

Digital communications infrastructure continued to play an essential role in supporting businesses, communities and individuals across Australia, particularly through the ongoing impact of COVID-19 and natural emergencies. During the pandemic, connectivity supported productivity and social communication by enabling Australians to work, study, access services and connect with family and friends from home. COVID-19 also accelerated the rate of digitalisation across the economy and society, including hastening the use of new service delivery models such as telehealth and remote learning.

The telecommunications industry provides the core underlying services to support a digital economy. Advances in digital connectivity from the National Broadband Network (NBN) and technologies such as 5G play a significant enabling role in our future prosperity.

Demand for communications services continues to grow rapidly. Communications infrastructure and the digital services it enables, continues to provide an important foundation for a modern and resilient economy. Access to competitive, high-quality, reliable communications services is therefore integral to an inclusive, productive and cohesive society.

Australian consumers and business are serviced by a large number of providers delivering and enabling access to business and government services. The department continued to ensure that Australians are able to access communications services and that investment in services continues, including arrangements providing access to broadband, telephone, broadcasting and payphone services nationally.

Digital connectivity has been expanded under the Mobile Black Spot Program and other place-based communications solutions such as the Regional Connectivity Program. The report from the 2021 Regional Telecommunications Review – *A step change in demand* – has further emphasised the ongoing demand for reliable telecommunications to support everyday life and underpin economic growth in regional, rural and remote areas.

Responses to the impacts of COVID-19 and recent natural disasters and emergencies highlighted our increasing reliance on communications and connectivity. This, in turn, prompted measurable and enduring changes in consumer retail behaviour. Shifts to a range of service delivery models were thus necessary to support a maturing domestic eCommerce sector and to keep Australian consumers and businesses connected.

The effects of COVID-19, recent natural disasters and emergencies continue to demonstrate the essential role digital communications play in supporting businesses, allowing people to stay connected and supporting social cohesion. Nevertheless, digital communications continue to present challenges in regard to service delivery and performance.

The provision of the national emergency call service by Telstra underlines the essential nature of digital communications and the recent introduction of Advanced Mobile Location (AML) is a case in point. AML is a technology that allows mobile devices to send a location estimate when a user calls Triple Zero. This has the potential to save lives and improve outcomes for mobile callers in Australia. It is being used by police, fire and ambulance services around the country to attend to people in need of emergency assistance.

## Results

Key activity: Provide policy advice on online safety

### 49. Progress implementing the Online Safety Act

Source: 2021–22 Portfolio Budget Statements p. 76, 2021–22 Corporate Plan p. 49

<b>2021–22 target</b>	Legislation and relevant legislative instruments are ready for commencement of the Online Safety Act on 23 January 2022
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>The Online Safety Act 2021 commenced on 23 January 2022</p> <p>The Online Safety (Basic Online Safety Expectations) Determination 2022 was made by the Minister for Communications, Urban Infrastructure, Cities and the Arts, and commenced on 24 January 2022</p>
<b>Previous result</b>	<p>Revised measure for 2021–22</p> <p>Reporting in 2020–21 showed the measures taken to protect Australians online were effective, through the number of reports responded to by the eSafety Commissioner and by the passing of the Online Safety Act 2021</p>
<b>Methodology</b>	Analysis of performance against departmental implementation plan

*This is the final reporting period for this measure*

On 23 January 2022, the Online Safety Act 2021 commenced. The Act provides new and strengthened schemes as well as enhanced reporting requirements. The Act also establishes a reporting scheme where the eSafety Commissioner can seek reports from industry on what industry is doing to meet Basic Online Safety Expectations which are set out in a legislative instrument.

The Instrument was informed by public consultation from 8 August until 12 November 2021. The department provided advice to government on the issues raised in the 1,149 submissions which were received, as well as holding meetings with industry and community stakeholders. The minister registered the Online Safety (Basic Online Safety Expectations) Determination 2022, on 23 January 2022, and it commenced on 24 January 2022.

**Key activity: Advise on and deliver policy and programs that enable the telecommunications industry to provide services that meet the needs of people and businesses in Australia**

## 50. Provide oversight of NBN Co

Source: 2021–22 Portfolio Budget Statements p. 77, 2021–22 Corporate Plan p. 49

<b>2021–22 target</b>	In each financial year, we assess NBN Co's corporate plan and monitor the company to ensure it is acting consistently with policy objectives outlined in the Statement of Expectations
<b>2021–22 result</b>	<b>Target met</b> Oversight was effective in 2021–22
<b>Previous result</b>	Oversight was effective in 2020–21
<b>Methodology</b>	Analysis of departmental records documenting our work monitoring NBN Co

*This is the final reporting period for this measure*

Throughout 2021–22, we continued effective oversight of NBN Co through monitoring NBN Co's plans and performance against policy objectives designed to deliver benefits to the Australian community. This included governance arrangements, such as board appointments, reviewing NBN Co's corporate plan and annual report, and analysing regular progress reports on operating and financial performance. Additional areas of oversight in 2021–22 included monitoring NBN Co's risk management response to adverse weather events in New South Wales and Queensland, and their debt capital raisings.

## 51. NBN Co loan interest payments and principal repayments

Source: 2021–22 Portfolio Budget Statements p. 77, 2021–22 Corporate Plan p. 49

<b>2021–22 target</b>	In each financial year, NBN Co interest payments and principal repayments are made in accordance with the terms in the loan agreement
<b>2021–22 result</b>	<b>Target met</b> In 2021–22, NBN Co met all monthly interest payments due on the Commonwealth loan
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Analysis of departmental records monitoring the timeliness and accuracy of monthly interest payable and principal repayments against NBN Co's contractual obligations set out in the Loan Agreement

*This is the final reporting period for this measure*

The NBN Co made total principal repayments for the year of \$13.125 billion, reducing the Commonwealth loan balance to \$6.375 billion. NBN Co is on track to repay the remaining balance of the Commonwealth loan under the terms of the loan agreement by 30 June 2024.

## 52. Funds administered as part of the Regional Broadband Scheme (RBS) are distributed

Source: 2021–22 Portfolio Budget Statements p. 77, 2021–22 Corporate Plan p. 49

<b>2021–22 target</b>	In each financial year, funds are distributed in line with legislative requirements
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>In June 2022, the department distributed the funds administered under the RBS to NBN Co, in line with legislative requirements</p>
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Analysis of departmental records monitoring the timeliness and accuracy of payments based on information about movement of funds from the RBS Special Account

*This is the final reporting period for this measure*

The department and the ACMA administer arrangements for the RBS in accordance with legislative requirements under Part 3 of the *Telecommunications (Consumer Protection and Service Standards) Act 1999* and the *Telecommunications (Regional Broadband Scheme) Charge Act 2020*.

During 2021–22, the department completed all required activities on time and in accordance with legislative requirements and established procedures for the ongoing administration of the RBS. Activities included:

- > executing a contract with NBN Co for the RBS
- > the secretary signing the Nominal Funding Entitlement Certificate and Charge Offset Certificate for NBN Co
- > processing the payment of funds collected under the RBS to NBN Co. Payment of the funds occurred in June 2022.

Section 85 of the *Telecommunications (Consumer Protection and Service Standards) Act 1999* requires the department to monitor and report annually on the performance of contractors and grant recipients for the RBS. Reporting for the 2021–22 financial year covers the period from 5 April 2022 (commencement of the section 80 contract) to 30 June 2022 and is in relation to NBN Co as the sole contractor under the scheme:

- > the contractor has adequately complied with the terms and conditions of the section 80 contract

- > the department has not received notice of any breach by the contractor of a term or condition of the section 80 contract
- > as no breaches have been reported, no remedial action was required to be taken by the Secretary.

**Key activity: Support and advocate Australia’s interests in international telecommunications, internet governance and postal forums**

<b>53. Effectiveness of international engagement on communications matters</b>	
Source: 2021–22 Portfolio Budget Statements p. 77, 2021–22 Corporate Plan p. 50	
<b>2021–22 target</b>	In each financial year, outcomes achieved in line with the negotiation mandate agreed by the Australian Government
<b>2021–22 result</b>	<div style="background-color: #90EE90; display: inline-block; padding: 2px 5px; margin-bottom: 5px;"><b>Target met</b></div> <p>Outcomes were achieved in 2021–22</p>
<b>Previous result</b>	<p>Revised measure for 2021–22</p> <p>Positive results were achieved in 2020–21</p>
<b>Methodology</b>	<p>Analysis of departmental records:</p> <ul style="list-style-type: none"> <li>&gt; Mandates prepared for the Universal Postal Union (UPU) 2021 Congress, 2022 International Telecommunication Union (ITU) World Telecommunication Development Conference (WTDC-21) and 2022 World Telecommunication Standardization Assembly (WTSA-20)</li> <li>&gt; Departmental reporting on achievement at conferences for which mandates have been prepared</li> </ul>

*This is the final reporting period for this measure*

### **Universal Postal Union (UPU)**

The 2016 to 2021 UPU cycle concluded with the Abidjan Congress in August 2021. The department led Australia’s delegation to the congress, with delegates from the Department of Foreign Affairs and Trade and Australia Post. Australia’s preferred policy and operational positions were broadly adopted, consistent with the agreed whole-of-government negotiation mandate. Highlights included Australia’s re-election to the Postal Operations Council of the UPU, unanimous adoption of Australia’s initiative to improve gender equality and empowerment of women in the UPU and the postal sector, and the adoption of proposals to resolve long-standing arrears by member countries and have sanctions lifted, benefitting some of Australia’s Pacific partners.

## International engagement on telecommunications and ICT

The department leads Australia's engagement in the International Telecommunication Union (ITU) and the Internet Corporation for Assigned Names and Numbers (ICANN). Australia is an elected member of the governing council in the ITU, and we participate in all ITU major quadrennial conferences including the World Radiocommunication Conference (WRC), World Telecommunication Standardisation Assembly (WTSA) and the World Telecommunication Development Conference (WTDC). The department participates in regular international policy forums, held 3 times a year.

During 2021–22, Australia announced its candidacy for re-election to the ITU Council at Plenipotentiary Conference 2022. In Council, Australia's goal is to ensure the ITU is fit-for-purpose and able to help bridge the digital divide and drive sustainable ICT development. We actively promote an inclusive, open and accountable ITU where diverse stakeholders can share ideas, work collaboratively and achieve results.

In 2021–22, we participated in domestic and international forums to develop preliminary policy positions on issues in preparation for the treaty-level WRC in late 2023. In addition, the domestic ratification process for the treaty changes agreed at the 2019 WRC has been completed, providing a pathway for the deployment of several new communication technologies including fifth generation mobile services (5G), Earth Stations in Motion (supporting connectivity on planes and trains), and a new satellite service for the Global Maritime Distress Safety Service.

ITU's WTSA and WTDC were both held in this reporting period. Australia's policy and operational objectives were achieved at these meetings, consistent with the agreed whole-of-government negotiation mandate. At both WTSA-20 and WTDC-21 Australia's delegations were active in drafting groups on standardisation and development issues, and the resolutions ITU adopted were in line with Australia's economic and strategic interests.

**Key activity: Advise on postal sector policy, including Australia Post governance and performance**

<b>54. Percentage of Community Service Obligations (CSOs) met by Australia Post</b>	
Source: 2021–22 Portfolio Budget Statements p. 77, 2021–22 Corporate Plan p. 50	
<b>2021–22 target</b>	Reporting in each financial year shows Australia Post met or exceeded all the Prescribed Performance Standards (PPSs)
<b>2021–22 result</b>	<div style="background-color: #ffc107; padding: 2px; display: inline-block; margin-bottom: 5px;"><b>Target partially met</b></div> <p>Australia Post exceeded all of its accessibility of services performance standards</p> <p>Australia Post met some, but not all, of its letter delivery performance standards as a result of ongoing COVID 19 impacts:</p> <ul style="list-style-type: none"> <li>&gt; On-time letter delivery – Exceeded the standard for quarters 3 and 4. Was below the standard required over the full year (93.5% achieved – target is 94%)</li> <li>&gt; Every business day delivery frequency – Exceeded the standard in quarter 4. Was below the standard over the full year (full year data not available)</li> </ul>
<b>Previous result</b>	100% of CSOs were met in 2020–21
<b>Methodology</b>	Analysis of Australia Post quarterly updates to shareholder ministers and performance information in its annual report

*This is the final reporting period for this measure*

The Australian Postal Corporation Act 1989 requires Australia Post to meet CSOs, including PPSs. Those PPSs are set out in the *Australian Postal Corporation (Performance Standards) Regulations 2019*. They include requirements about frequency, speed of letter delivery, number of street posting boxes and number and location of retail outlets.

Australia Post reports its achievements against the performance standards in its Annual Report. Australia Post’s performance against the standards is audited by the ANAO, and a copy of the Auditor’s General Independent Auditor Report is published in the Annual Report. Australia Post provides quarterly updates to the department on its performance against the standards.

Australia Post’s reporting shows that the on-time delivery standard was not met in 2021–22, driven by impacts on the priority letter service including due to air transportation shortfalls associated with restricted passenger flights as a result of COVID-19, localised lockdowns and other restrictions. Data limitations restricted reporting on delivery frequency performance.



**Key activity: Provide policy advice for inclusive telecommunications access, including the modernisation of consumer safeguards, and oversee the performance of public interest services**

### 55. Percentage of telecommunications Universal Service Obligation (USO) targets met by Telstra

Source: 2021–22 Portfolio Budget Statements p. 77, 2021–22 Corporate Plan p. 50

<b>2021–22 target</b>	Reporting in each financial year shows 100% targets met and 100% contractual arrangements delivered
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>Our assessment of 2021–22 reporting determined that Telstra met 100% of its payment benchmarks under the contract performance obligations, which relate to it meeting connection and repair timeframes for telephone services and payphones</p>
<b>Previous result</b>	Our assessment of 2020–21 reporting determined that Telstra met 100% of its payment benchmarks under the contract performance obligations, which relate to it meeting connection and repair timeframes for telephone services and payphones
<b>Methodology</b>	Analysis of Telstra's annual reporting

*This is the final reporting period for this measure*

The USO is a long-standing consumer protection to ensure people in Australia have access to basic voice telephony regardless of where they live or work. Telstra's delivery of the USO is monitored through monthly meetings and analysis of reporting. This includes engaging with Telstra to respond to identified issues of concern and understanding the impact of natural disasters and COVID-19 on service delivery. Our assessment of 2021–22 reporting determined that Telstra met 100% of its performance obligations, which relate to connection and repair timeframes for telephone services and payphones.

### 56. Percentage of contractual arrangements for the Triple Zero Emergency Call Service delivered by Telstra

Source: 2021–22 Portfolio Budget Statements p. 77, 2021–22 Corporate Plan p. 50

<b>2021–22 target</b>	Reporting in each financial year shows 100% targets met and 100% contractual arrangements delivered
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>Reporting in 2021–22 shows 100% delivered</p>
<b>Previous result</b>	100% of contractual arrangements for the Triple Zero Emergency Call Service were delivered by Telstra in 2020–21
<b>Methodology</b>	Analysis of Telstra's annual reporting

*This is the final reporting period for this measure*

The department worked closely with Telstra and Emergency Service Organisations over the 2021–22 financial year to ensure actions were taken to manage the increasing call volumes experienced. The department met monthly with Telstra to manage contractual issues and ensure that contractual obligations were delivered during this period.

**Key activity: Provide advice to the government on communications policy and programs in regional and remote Australia, and implement relevant programs**

### 57. Amount of new and improved mobile coverage delivered in regions under the Mobile Black Spot Program

Source: 2021–22 Portfolio Budget Statements p. 77, 2021–22 Corporate Plan p. 51

<b>2021–22 target</b>	≥90% of total contracted (predictive) coverage is delivered through new assets, for which Asset Completion Reports (ACRs) are received in each financial year
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>Total new handheld coverage delivered exceeded the total contracted metric by 42% and the total number of premises to receive new mobile coverage exceeded the total contracted metric by 17%</p>
<b>Previous result</b>	More than 100% of total contracted (predictive) coverage was delivered at the end of 2020–21
<b>Methodology</b>	Analysis of contracts and ACRs, to compare contracted coverage with delivered coverage across the program

As at 30 June 2022, the overall program had delivered over 1,035 new mobile base stations, including 97 in 2021–22.

For the 97 base stations delivered in 2021–22, of which 62 ACRs have been received, the total new (predictive) handheld coverage delivered exceeded the total contracted metric by 42% and the total number of premises to receive new mobile coverage exceeded the total contracted metric by 17%.

During 2021–22, 3,555 square kilometres of new (predictive) handheld mobile coverage was delivered from completed base stations, for which ACRs were received – this equates to 142% of the total contracted (predictive) coverage for these assets. External factors such as obtaining landowner agreement, local and state government planning authority approvals, as well as the COVID-19 pandemic, supply chain issues and severe weather events, delayed the completion of some base stations.

## 58. Access to Viewer Access Satellite Television (VAST), for viewers in terrestrial blackspots, to receive direct-to-home free-to-air television safety net services

Source: 2021–22 Portfolio Budget Statements p. 77, 2021–22 Corporate Plan p. 51

<b>2021–22 target</b>	In each financial year, access maintained for $\geq 210,000$ households
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>At 30 June 2022, 252,644 households were registered for direct to home satellite television services through VAST</p>
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Reporting from Regional Broadcasting Australia Holdings on the number of households registered for VAST

The department maintains contractual arrangements for VAST services with the regional commercial television broadcasting consortiums for the delivery of commercial free-to-air broadcast television. The total funding committed for 2021–22 was \$14.0 million (GST exclusive), with eligible payments totalling approximately \$13.8 million (GST exclusive). The regional broadcasting consortiums receive funding for actual expenses incurred in providing the required commercial free-to-air services over VAST. The consortiums must meet reporting requirements and key performance indicators, and provide invoices for expenses incurred.

Regional Broadcasting Australia Holdings maintain the register of VAST customers and report regularly to the department on current VAST households. From 2020–21 to 2021–22 the number of registered VAST households increased from 250,953 to 252,644.

**Effectiveness measure: Enabling safe, effective and inclusive communications services and technologies**

**59. Number of online safety complaints by type, and percentage change**  
 Source: 2021–22 Portfolio Budget Statements p. 77, 2021–22 Corporate Plan p. 52

<b>2021–22 target</b>	Annual target setting is not appropriate, as regulators respond to demand
<b>2021–22 result</b>	<p><b>No target</b></p> <p>In 2021–22, eSafety received:</p> <ul style="list-style-type: none"> <li>&gt; 1,542 cyber abuse complaints</li> <li>&gt; 4,169 image-based abuse complaints</li> <li>&gt; 1,243 adult cyber abuse complaints</li> <li>&gt; 6,978 reports about online content concerning 15,654 URLs</li> </ul>
<b>Previous result</b>	Revised measure for 2021–22 – result not comparable
<b>Methodology</b>	Analysis of eSafety Commissioner reporting on 4 online safety complaint schemes, comparing most recent annual data available to next-most recent data: cyber-bullying; image-based abuse; online content; and adult cyber abuse

*This is the final reporting period for this measure*

On 23 January 2022, the *Online Safety Act 2021* commenced. The Act provides new and strengthened schemes and enhanced reporting requirements. The existing children’s cyber bullying scheme has also been expanded to apply to the full range of online services where harms can occur. The timeframes for industry to take down cyber-bullying material and intimate images shared without consent (image-based abuse) is reduced from 48 to 24 hours. In 2021–22, eSafety received 1,542 cyber abuse complaints and 4,169 complaints about image-based abuse.

The Act also creates a new scheme to deal with adult cyber abuse. Between 23 January 2022 and 30 June 2022, eSafety received 1,243 complaints about adult cyber abuse. The Act’s online content scheme also commenced on 23 January 2022. This scheme is an update of the online content scheme that was previously set out in the *Broadcasting Services Act 1992*.

In 2021–22, eSafety received 6,978 reports about online content concerning 15,654 URLs. Out of all investigations carried forward, 99% concerned child sexual exploitation material (CSEM). None of the content actioned by eSafety through regulatory investigations under the Online Content Scheme was found to be hosted in Australia. Almost all CSEM was reported to the INHOPE network, an international network of 50 hotlines that work to remove CSEM, with the remainder reported to the Australian Federal Police (AFP).

The department ran a campaign to raise awareness of the support available to Australians under the *Online Safety Act 2021*. This campaign started shortly after commencement of the legislation and ran until 30 June 2022.

While a high number of complaints suggests a high level of harm occurring online, it is also a measure of community awareness of, and engagement with, the services and support available when things go wrong online.

## 60. Affordability of telecommunications services (mobile and fixed) on offer

Source: 2021–22 Portfolio Budget Statements p. 78, 2021–22 Corporate Plan p. 52

<b>2021–22 target</b>	Reporting in each financial year indicates affordability is maintained or increased
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>Real price reductions to mobile and fixed-line plans have continued, albeit at a slower rate when compared to previous years. Monitoring affordability of telecommunications remains important for ongoing awareness of digital inclusion, in particular for low income earners</p>
<b>Previous result</b>	<p>Affordability has improved in 2020–21</p> <p>The evidence showed relative household expenditure on telecommunications has remained steady, prices were trending downwards and digital affordability improved</p>
<b>Methodology</b>	Analysis of reporting from the ABS, the Australian Competition and Consumer Commission (ACCC), the Australian Digital Inclusion Index (ADII), and of results from affordability indexes tracked by the department's Bureau of Communications, Arts and Regional Research (BCARR), based on Household, Income and Labour Dynamics in Australia (HILDA) data

During the reporting period we analysed reporting from the ABS, the ACCC, the ADII, as well as results from affordability indexes tracked by BCARR, based on HILDA data.

### ABS Consumer Price Index (CPI):

The weighted average of 8 capital cities' CPI, for the Communications Group, fell 0.5% between the December 2020 quarter and December 2021 quarter. Overall CPI for the same period increased by 3.5%.

### ACCC price measurement:

The ACCC found that prices for mobile and phone plans are increasing although inclusions are still improving. In the year to June 2021, the median price for a fixed-line plan increased 1.3%, the median mobile plan price increased 2.1% and the median mobile broadband price increased 12.9%. However, when considering feature adjusted plans, fixed line plan prices fell 4.5%, mobile plans fell 9.9% and mobile broadband increased 4.3%.

### ADII affordability measure:

The revised ADII found that affordability improved slightly overall at a national level, from an index of 92.9 to 93.1 between 2020 and 2021. The 2021 ADII report estimated that 14% of households need to pay over 10% of their income to purchase reliable connectivity in 2021.

### HILDA measures:

The 3 affordability indexes tracked by BCARR are:

- > the average expenditure on telecommunications
- > the proportion of low income, low spending households
- > the proportion of low income, high spending households.

Between wave 19 and 20, all indexes remained relatively stable (all within +/- 0.25% compared to the previous year). This measure indicates that affordability was maintained.

### 61. Access to communications for people with a disability, indicated through:

- a) National Relay Service (NRS) performance quarterly reports on user numbers
- b) audio description implementation by the national broadcasters
- c) broadcaster captioning compliance

Source: 2021–22 Portfolio Budget Statements p. 78, 2021–22 Corporate Plan p. 52

<b>2021–22 target</b>	Reporting in each financial year indicates access is maintained or increased
<b>2021–22 result</b>	<p style="background-color: #c8e6c9; padding: 2px;"><b>Target met</b></p> <p>We maintained the impact of our programs in 2021–22</p> <p>The amount of audio description provided by the Australian Broadcasting Corporation (ABC) and Special Broadcasting Service (SBS) increased during 2021–22</p>
<b>Previous result</b>	<p>Revised measure for 2021–22 – result not comparable</p> <p>We maintained the impact of our programs in 2020–21</p> <p>More than 14 hours per week of audio description each was provided by the ABC and SBS during 2020–21</p>
<b>Methodology</b>	Analysis of NRS provider performance quarterly reports; reporting on audio description hours from the national broadcasters; and the ACMA’s annual captioning compliance report, published on its website each December for the prior financial year

During 2021–22, more than 15.4 hours per week of audio description was provided each week by the ABC and more than 18 hours per week of audio description was provided each week by SBS.

There was a very high level of compliance with captioning obligations by the 9 licensed free-to-air broadcasters and a high level of compliance with captioning obligations by licensed subscription television broadcasters reported by the ACMA in May 2022. These results reflect the captioning outcomes during 2020–21.

The NRS performance standards were met over the year and the service provider fulfilled all contractual obligations. A user survey undertaken on the provision of service achieved a high customer satisfaction result. Ongoing process and user improvements are also being implemented.

## 62. Complaints data: telecommunications

Source: 2021–22 Portfolio Budget Statements p. 78, 2021–22 Corporate Plan p. 52

<b>2021–22 target</b>	Reporting in 2021–22 shows maintained or improved consumer experience
<b>2021–22 result</b>	<p><b>Data not available</b></p> <p>Data was not available for quarter 4 at the time of reporting. Complaints figures in Quarters 1, 2 and 3 during 2021–22 were equal to or lower than the equivalent periods in 2020–21</p>
<b>Previous result</b>	<p>Reporting in 2020–21 shows positive results</p> <p>ACMA data showed overall there was a decrease in telecommunications complaints received compared to the previous year</p>
<b>Methodology</b>	Analysis of reporting on telecommunications complaints from the Telecommunications Industry Ombudsman (TIO) and the ACMA

At the time of reporting, complaints data published by the TIO for 2021–22 was available to the end of the January to March 2022 quarter (Quarter 3). Overall TIO complaints figures in Quarters 1, 2 and 3 during 2021–22 were lower than the equivalent periods in 2020–21. While complaints increased by 21% in Quarter 3 when compared to Quarter 2 in 2021–22, complaints were still down 26.7% when compared to Quarter 3 in 2020–21. The figures in Quarter 3 were also impacted by floods and natural disasters during the period.

At the time of reporting, complaints data published by the ACMA was available to the end of the January to March 2022 quarter (Quarter 3). In Quarter 1 there were 2.5% more complaints than in Quarter 1 of the previous year, although the same number of complaints per 10,000 services in operation. In Quarter 2 there were 3.5% fewer complaints than in Quarter 2 of the previous year and 3.3% fewer complaints per 10,000 services in operation. In Quarter 3, there were 9.6% fewer complaints than in Quarter 3 of the previous year, and 11.1% fewer complaints per 10,000 services in operation.

### 63. Complaints data: post

Source: 2021–22 Portfolio Budget Statements p. 78, 2021–22 Corporate Plan p. 52

<b>2021–22 target</b>	Reporting in 2021–22 shows maintained or improved consumer experience
<b>2021–22 result</b>	<p><b>Data not available</b></p> <p>Data was not available for quarter 4 at the time of reporting</p>
<b>Previous result</b>	<p>Reporting in 2020–21 shows positive results</p> <p>While the total 2020–21 postal complaints of 3,656 is higher than when compared to last year, the increase reflects the significant growth in parcel volumes due to COVID-19. The fourth quarter of 2020–21 also saw complaints decrease by 41.1% year-on-year</p>
<b>Methodology</b>	Analysis of reporting from the Postal Industry Ombudsman (PIO) about Australia Post, including descriptive information on trends driving complaints, and supporting quantitative information on the volume of complaints made

At 14 June 2022, the PIO had reported its year-to-date complaints for the period 1 July 2021 to 31 May 2022. When compared to the same period last year, PIO complaints are tracking 20% higher with a total of 4,048 complaints received since 1 July 2021. The number of complaints is higher, but will need to be assessed against the increase in parcel volumes to determine whether the growth in complaints is commensurate with the growth in parcel volumes. The cause of the complaints is largely consistent with previous periods, including delays (35%), delivery issues (35%), loss (15%), and damage, compensation and other issues (15%).

### 64. NBN consumer experience

Source: 2021–22 Portfolio Budget Statements p. 78, 2021–22 Corporate Plan p. 53

<b>2021–22 target</b>	Reporting in each financial year shows positive consumer experience
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>Data shows that NBN consumer experience metrics met expected performance levels during 2021–22.</p>
<b>Previous result</b>	<p>Revised measure for 2021–22</p> <p>Data available showed that network speeds increased significantly over the 2020–21 financial year. However, the impacts of COVID-19 and workforce scheduling issues, caused a temporary decline in some key NBN consumer experience metrics during 2021</p>
<b>Methodology</b>	Analysis of NBN Co consumer experience metrics, prepared monthly

*This is the final reporting period for this measure*



The NBN Co's public monthly progress reports<sup>1</sup> track 14 metrics relating to consumer experience. Key metrics supporting a positive consumer experience result includes average network congestion and reliability, fault rates and installation and repair timeframes. This also represents an improvement from the previous financial year, where some metrics were impacted by supply chain shortages and challenges experienced in the rollout of a new workforce scheduling system. There was a specific disruption to a metric in January 2022, when the Sky Muster Satellite Average Time to Restore was impacted by a suspected micrometeorite. This was quickly resolved with the metric returning to its normal range the following month.

### Effectiveness measure: Sustainable economic growth through communications

#### 65. NBN: percentage of premises in fixed line areas able to access gigabit speeds<sup>a</sup>

Source: 2021–22 Portfolio Budget Statements p. 78, 2021–22 Corporate Plan p. 53

<b>2021–22 target</b>	No target
<b>2021–22 result</b>	<b>No target</b>  NBN Co reports that as at 30 June 2022, the number of premises in the fixed line footprint able to access gigabit speeds is 5.1 million, or approximately 48%
<b>Previous result</b>	Revised measure for 2021–22 – result not comparable
<b>Methodology</b>	Analysis of NBN Co progress reports on Fibre to the Premises upgrades

- a. This measure was updated in the 2021–22 Portfolio Additional Estimates Statements. The previous measure, reported in the 2021–22 PBS and Corporate Plan, was 'Percentage of ready-to-connect premises in fixed line areas that have taken up an NBN service'. In December 2020, the government declared the NBN was fully built and operational. Government agreed in September 2020 to an additional NBN investment of around \$3.9 billion to provide gigabit capability to 75% of the network. Prior to that it was appropriate to have a metric on the take-up of NBN services during the build phase. However, it is now timely to update relevant departmental outcome performance criteria to reflect the government's policy focus of delivering expanded ultrafast NBN speeds

*This is the final reporting period for this measure*

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1 Available at: <https://www.nbnco.com.au/corporate-information/about-nbn-co/updates/dashboard-april-2022>

## 66. NBN: complex connections premises completed

Source: 2021–22 Portfolio Budget Statements p. 78, 2021–22 Corporate Plan p. 53

<b>2021–22 target</b>	Reduction to zero of complex connections premises (Yet to Ready-to-Connect)
<b>2021–22 result</b>	<div style="background-color: #ffc107; padding: 2px; display: inline-block; margin-bottom: 5px;"><b>Target partially met</b></div> <p>NBN Co had reduced complex connections from less than 12,000 at 30 June 2021 to around 5,600 at 30 June 2022</p> <p>NBN Co completed over half of the remaining complex connections during 2021–22, but was not able to meet the target of reducing complex connections to zero due to delays in the rollout of fixed-line services in Parramatta (due to outstanding heritage approvals) and delays in fixed wireless towers going live</p>
<b>Previous result</b>	<p>Revised measure for 2021–22</p> <p>NBN Co had reduced complex connections from around 109,000 premises in mid-2020 to less than 12,000 at 30 June 2021</p>
<b>Methodology</b>	Analysis of NBN Co progress reports on complex connection premises

*This is the final reporting period for this measure*

The data provided by NBN Co was used to confirm the number of complex connection premises remaining. The department will continue to monitor the progress in reducing complex connections. Connection of new development premises will be an ongoing feature of NBN Co’s business-as-usual operations.

The NBN volume build was completed during 2020, with only a small number of complex connections remaining. The majority of complex connections were completed during 2020–21, with NBN Co reducing complex connections from around 109,000 to under 12,000. Completion of the remaining connections was expected to occur during 2021–22, which will be reported in NBN Co’s 2021–22 Annual Report.

## 67. Investment as a proportion of output in the communications sector

Source: 2021–22 Portfolio Budget Statements p. 79, 2021–22 Corporate Plan p. 53

<b>2021–22 target</b>	No target Sector investment decisions are on a commercial basis, affected by many factors including COVID-19, and are often made by entities not captured by the regulatory framework. Analysis will show trends over coming years with the long-run average (June 1990 to June 2020) is around 35%
<b>2021–22 result</b>	<b>No target</b> The result was 34.9% in 2020–21 This is the latest available data. Calculations are based on data available from end October 2021
<b>Previous result</b>	The result was 46.6% in 2019–20 (latest available data)
<b>Methodology</b>	Departmental estimates based on ABS data. 2020–21 data is the most current for 2021–22 reporting

*This is the final reporting period for this measure*

Investment is critical to unlocking economic growth as technologies continue to develop and improve over time. The department can indirectly influence investment as a proportion of output in the communications sector.

BCARR estimates are based on ABS data, specifically the ABS Australian System of National Accounts releases (cat. No 5204.0) – using table 5 (Gross Value Added (GVA) by Industry) for output and table 64 (Gross Fixed Capital Formation, by Industry by type of asset) for investment.

Estimates are recorded annually but effectively with a publication delay of up to 2 years. Final data for this reporting period will be available by the end of October 2022.

## 68. GDP contribution enabled by the communications sector

Source: 2021–22 Portfolio Budget Statements p. 79, 2021–22 Corporate Plan p. 53

<b>2021–22 target</b>	Annual target setting not appropriate, results sought are long-term. GDP contribution should generally be maintained or increased over time
<b>2021–22 result</b>	<b>No target</b> \$852.960 billion in 2019–20 This is the latest available data. Calculations are based on data available from end May 2022
<b>Previous result</b>	\$839.556 billion in 2018–19 (latest available data)
<b>Methodology</b>	Departmental estimates based on ABS data. 2019–20 data is the most current for 2021–22 reporting

*This is the final reporting period for this measure*

The communications sector, which comprises information, media and telecommunications services, is a critical enabler of economic activity. The department can indirectly influence the way the communications sector contributes to Australia's GDP. The department's primary role is in delivering regulatory settings that promote competition, innovation and investment.

BCARR estimates are based on ABS data (ABS Input-Output data). Estimates are recorded annually but effectively with a publication delay of up to 2 years. The 2019–20 data is the most current available for this reporting period.

## Results Matrix

Measures	Target met	Target partially met	Target not met	No target	Data not available
49. Progress implementing the <i>Online Safety Act</i>	X				
50. Provide oversight of NBN Co	X				
51. NBN Co loan interest payments and principal repayments	X				
52. Funds administered as part of the Regional Broadband Scheme (RBS) are distributed	X				
53. Effectiveness of international engagement on communications matters	X				
54. Percentage of Community Service Obligations (CSOs) met by Australia Post		X			
55. Percentage of telecommunications Universal Service Obligation (USO) targets met by Telstra	X				
56. Percentage of contractual arrangements for the Triple Zero Emergency Call Service delivered by Telstra	X				
57. Amount of new and improved mobile coverage delivered in regions under the Mobile Black Spot Program	X				
58. Access to Viewer Access Satellite Television (VAST), for viewers in terrestrial blackspots, to receive direct-to-home free-to-air television safety net services	X				
59. Number of online safety complaints by type, and percentage change				X	

Measures	Target met	Target partially met	Target not met	No target	Data not available
60. Affordability of telecommunications services (mobile and fixed) on offer	X				
61. Access to communications for people with a disability, indicated through:	X				
a) NRS performance quarterly reports on user numbers					
b) audio description implementation by the national broadcasters					
c) broadcaster captioning compliance					
62. Complaints data: telecommunications					X
63. Complaints data: post					X
64. NBN consumer experience	X				
65. NBN: Percentage of ready-to-connect premises in fixed line areas that have taken up an NBN service				X	
66. NBN: complex connection premises completed		X			
67. Investment as a proportion of output in the communications sector				X	
68. GDP contribution enabled by the communications sector				X	
<b>Total</b>	<b>12</b>	<b>2</b>	<b>0</b>	<b>4</b>	<b>2</b>



## Creativity and culture

**Outcome 6 – Participation in, and access to, Australia’s arts and culture through developing and supporting cultural expression**

**Purpose – Supporting sustainable and inclusive creative and cultural sectors, and protecting and promoting Australian content and culture**

Strong creative and cultural industries are critical to both economic growth and a cohesive society. We support inclusiveness and growth in Australia's creative sector, and protect and promote Australian content and culture.

## Analysis

In 2021–22, the department supported recovery of the arts, entertainment and cultural sector from the impacts of the COVID-19 pandemic, with many activities resuming in the second half of the year.

An increased demand for screen content attracted a growing number of international productions to Australia, with the Office for the Arts well placed to capitalise on this.

We continued to support the centrality of First Nations in Australia's cultural heritage by securing agreements from international collecting institutions to repatriate the ancestors held in their care, and through the continued operations of Indigenous art centres and Indigenous language centres.

The growing intersection between arts, creative content and digital modes continues to foster a diversity of stories and enable innovation. This development was enhanced by our support for projects and training organisations that build creative and digital skills and a regulatory framework for classification and Australian content and copyright.

Despite strong gains, the effects of the pandemic continued to be felt over the latter half of the year and the Office for the Arts continued to monitor the impacts on individuals, organisations and businesses.

Technology companies played an important role in both driving and being a vehicle for digital transformation. We continued to assist the sector in redefining itself and reaching a mass digital audience.

For example, audiences have migrated to online platforms that offer more choice and flexibility than traditional media. In this environment, traditional Australian media companies have been forced to adapt, and this was a challenge amplified by COVID-19, especially in regional areas with newspapers and television both in decline.

## Culture and content that is widely participated in, inclusive and accessible

Our cultural and creative sectors are essential to defining our national identity and we celebrated our culture by maintaining an ongoing commitment to inclusiveness and accessibility.

We recognised the importance of supporting charter-focused national broadcasters, to keep communities informed and connected, as well as to support Australian stories on our screens. We progressed a program of reform to harmonise Australia's media

regulations and create a level playing field for Australian media businesses so they can compete effectively in what is now a global media market.

## Results

**Key activity: Deliver policy and programs that support the cultural and creative sectors and enable all Australians to access and participate in cultural and creative activities**

### 69. Progress against the National Arts and Disability Strategy (Strategy)

Source: 2021–22 Portfolio Budget Statements p. 85, 2021–22 Corporate Plan p. 57

<b>2021–22 target</b>	Strategy is renewed in 2021–22 and the arts and disability resource hub is maintained
<b>2021–22 result</b>	<p><b>Target partially met</b></p> <p>As a result of a decision of government, the renewal of the Strategy was progressed under the framework of Australia’s Disability Strategy. The work is well progressed and will be subject to government consideration and further targeted consultation in the first half of 2022–23</p> <p>The arts and disability resource hub was maintained</p>
<b>Previous result</b>	Positive results were achieved in 2020–21 towards the strategy
<b>Methodology</b>	Analysis of departmental records including the arts and disability resource hub

In 2021–22, we worked closely with Department of Social Services to finalise Australia’s Disability Strategy 2021–2031, which was released on 3 December 2021.

The renewal of the National Arts and Disability Strategy was progressed under the framework of Australia’s Disability Strategy. Delays to the latter have delayed the progression of the former. The work is well-progressed and will be subject to government consideration and further targeted consultation in the first half of 2022–23.

In 2021–22, we maintained the Arts and Disability Resource Hub<sup>2</sup> to support the current Strategy, including improved visibility of resources from the Office for the Arts homepage.<sup>3</sup>

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2 Available at: <https://www.arts.gov.au/arts-and-disability>

3 Available at: <https://www.arts.gov.au/what-we-do>



## 70. Number of students enrolled in courses at national performing arts training organisations

Source: 2021–22 Portfolio Budget Statements p. 85, 2021–22 Corporate Plan p. 57

<b>2021–22 target</b>	≥800 students in 2021
<b>2021–22 result</b>	<b>Target met</b>  In 2021, there were 1,084 students enrolled in accredited courses at the National Performing Arts Training Organisations
<b>Previous result</b>	In 2020, 722 students completed courses.  Due to the impacts of COVID-19, some course timeframes have been extended to enable students to meet training and performance requirements and, therefore, graduations have been delayed
<b>Methodology</b>	Analysis of training organisations' regular quarterly reports to the department against grant funding agreements

In 2021–22, the Australian Government provided operational funding to the following 7 National Performing Arts Training Organisations to provide Australia's most talented artists with the opportunity to excel in their chosen field:

- > Australian Ballet School
- > Flying Fruit Fly Circus
- > National Institute of Circus Arts
- > National Institute of Dramatic Art
- > Australian Youth Orchestra
- > Australian National Academy of Music
- > NAISDA Dance College.

Across these organisations, 1,084 students enrolled in accredited courses in their chosen field. Data from the 2021 reporting period shows 3,302 students auditioned and 514 students successfully completed courses. This is a decrease from 2020 which reflected 3,342 auditions and 722 course completions. The lower completion rates for 2021 reflects the ongoing impact of the pandemic, with a number of courses cancelled or deferred due to COVID-19 restrictions.

## 71. Number of claimants (including authors, illustrators and publishers) to receive funding through lending rights

Source: 2021–22 Portfolio Budget Statements p. 85, 2021–22 Corporate Plan p. 57

<b>2021–22 target</b>	≥16,000 claimants in the financial year
<b>2021–22 result</b>	<p><b>Target met</b></p> <p>Under the public and educational lending right schemes, \$23.1 million was provided through 17,508 payments to eligible claimants and to administer the scheme</p>
<b>Previous result</b>	<p>Revised measure for 2021–22</p> <p>Under the public and educational lending right schemes, \$22.8 million was provided through 17,069 payments to eligible claimants, and to administer the schemes</p>
<b>Methodology</b>	Analysis of data from the department's Lending Rights System

In 2021–22, the lending right schemes provided annual payments to Australian creators and publishers to compensate them in recognition of income lost through free multiple use of their books in public and educational libraries. These programs support the enrichment of Australian culture by encouraging the growth and development of Australian writing.

Each year approximately 10,000 new book title claims are received and processed by the department. Eligible claims are then surveyed in public and educational lending libraries and book scores calculated. Trends in library collections are monitored, with the most significant change being the increasing number of digital materials (eBooks and audiobooks) being held and accessed through libraries in Australia, which are currently ineligible under the scheme.

As expected, there has been little growth in the number of claimants receiving payments under the program, as the number of payments is based on 2019–20 actual reporting.

**72. Artbank operations, number of:****a) artworks purchased****b) artworks leased****c) clients**

Source: 2021–22 Portfolio Budget Statements p. 86, 2021–22 Corporate Plan p. 57

<b>2021–22 target</b>	No target Purchasing decisions must be responsive to market conditions; and client interactions are market driven
<b>2021–22 result</b>	<b>No target</b>  It is not appropriate to set targets for Artbank as operations are responsive to market conditions and both its policy objectives are subject to market fluctuations.  In 2021–22, there were: a) 71 artworks purchased b) 4,098 artworks leased c) 561 clients
<b>Previous result</b>	In 2020–21, there were: a) 62 artworks purchased b) 3,969 artworks leased c) 513 clients
<b>Methodology</b>	Analysis of departmental records

*This is the final reporting period for this measure*

Despite a significant downturn in leasing revenue apparent at the beginning of 2022 due to COVID-19 restrictions, Artbank had a very successful final 2 quarters of 2021–22, with increased revenue since January 1 of over \$400,000. In the same period, our client numbers have increased by 5%.

The number of works leased has also increased marginally, as has the average individual value of works leased.

Artbank had a steady year of acquisitions in accordance with our Collection Plan. We were able to attend many galleries and art fairs in person. We are particularly pleased to have acquired works from Tasmania and Western Australia – places under-represented in the previous reporting period.

**Key activity: Deliver policies and programs to support Australian cultural heritage, including Indigenous cultural heritage, arts, languages and repatriation**

### 73. Number of art centres and art fairs funded through the Indigenous Visual Arts Industry Support (IVAIS) program

Source: 2021–22 Portfolio Budget Statements p. 86, 2021–22 Corporate Plan p. 58

<b>2021–22 target</b>	≥80 centres in the financial year
<b>2021–22 result</b>	<div style="background-color: #c8e6c9; padding: 2px;"><b>Target met</b></div> <p>In 2021–22, 84 Indigenous art centres were funded through the IVAIS program</p>
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Analysis of data from the SmartyGrants grants management system

We provided funding to Indigenous visual arts organisations in order to support a professional, viable and ethical Indigenous visual arts industry.

The program provided support to 84 Indigenous art centres, as well as a number of art fairs, regional hubs and industry service organisations. Together these organisations supported around 8,000 Aboriginal and Torres Strait Islander artists and over 500 Indigenous arts workers.

### 74. Number of Indigenous language centres funded under the Indigenous Languages and Arts program (ILA)

Source: 2021–22 Portfolio Budget Statements p. 86, 2021–22 Corporate Plan p. 58

<b>2021–22 target</b>	≥20 centres in the financial year
<b>2021–22 result</b>	<div style="background-color: #c8e6c9; padding: 2px;"><b>Target met</b></div> <p>In 2021–22, 20 Indigenous language centres were provided with annual operational funding</p>
<b>Previous result</b>	New measure for 2021–2022 – result not available
<b>Methodology</b>	Analysis of data from the SmartyGrants grants management system

Each Indigenous language centre delivered Indigenous language capture, revitalisation and maintenance activities to their community. Indigenous language centres are Indigenous-led organisations that engage with their community language groups through designated community language teams to deliver culturally appropriate services that include:

- > working with language speakers to capture and document languages, many of which are endangered

- > collecting and creating language resources such as word lists and dictionaries
- > using digital technology in innovative ways to produce language apps and other digital tools for the teaching and learning of language in the community
- > assisting the community more broadly with cultural awareness training and cultural activities in a culturally safe and respectful environment.

#### 75. Activities to support the repatriation of Aboriginal and Torres Strait Islander ancestral remains and secret sacred objects:

- a) number of new agreements to repatriate ancestral remains from overseas
- b) number of ancestral remains and/or secret sacred objects repatriated to their community
- c) number of ancestral remains repatriated to Australia with no known community

Source: 2021–22 Portfolio Budget Statements p. 86, 2021–22 Corporate Plan p. 58

<b>2021–22 target</b>	Activities are responsive to domestic and international negotiations
<b>2021–22 result</b>	<p><b>No target</b></p> <p>International repatriation – 3 agreements to repatriate were received from Swedish, Swiss and German collecting institutions. Two return to Country ceremonies were held in Adelaide in 2021–22. This saw 12 ancestors, who had been repatriated from the United Kingdom in 1991 and 2000, returned to Country for final resting</p> <p>Domestic repatriation – 7 eligible Australian museums were provided \$0.48 million funding through the Indigenous Repatriation Program – Museum Grants to undertake repatriation activities. This resulted in the transfer of custodianship of 371 ancestors to their traditional custodians</p>
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Analysis of data obtained through the Indigenous Repatriation Program

We delivered a range of activities that supported the repatriation of Aboriginal and Torres Strait Islander ancestral remains (ancestors) held overseas in collecting institutions and with private holders; as well as the return of ancestors and secret sacred objects facilitated by the funding recipients of the Indigenous Repatriation Program – Museum Grants.

Internationally, the department secured agreements from 3 collecting institutions to repatriate the ancestors held in their care. These agreements were from cultural institutions in Sweden, Switzerland and Germany. No ancestors were returned from overseas in 2021–22 due to the impact of COVID-19 travel restrictions. However, one ancestor returned from the United Kingdom in 1991 and 11 ancestors returned from United Kingdom in 2000, were laid to rest by their traditional custodians in Adelaide.

Domestically, \$0.48 million was provided to 7 major Australian museums to undertake repatriation activities supported through the Indigenous Repatriation Program – Museum Grants. This resulted in the transfer of custodianship of 371 ancestors to their traditional custodians.

## 76. Regulatory activities undertaken under the *Protection of Movable Cultural Heritage Act 1986*

Source: 2021–22 Portfolio Budget Statements p. 86, 2021–22 Corporate Plan p. 59

<b>2021–22 target</b>	Actions taken are in response to applications for permits received and objects identified for investigation
<b>2021–22 result</b>	<div style="background-color: #cccccc; padding: 2px; margin-bottom: 5px;"><b>No target</b></div> <p>Actions taken are in response to applications for export permits received and foreign objects identified for investigation.</p> <p>In 2021–22, there were:</p> <ul style="list-style-type: none"> <li>&gt; 9 permanent export permits issued</li> <li>&gt; 1 permanent export permit refused</li> <li>&gt; 3 certificates of exemption issued</li> <li>&gt; 6 temporary export permits issued</li> <li>&gt; 1 permanent export permit variation issued</li> <li>&gt; 5 applications to the National Cultural Heritage Account approved.</li> </ul> <p>Unlawful imports – return of protected foreign cultural property: 333 foreign objects were seized in a single seizure for future return to another country, and 7 foreign objects were returned to 4 countries</p>
<b>Previous result</b>	<p>In 2020–21, there were:</p> <ul style="list-style-type: none"> <li>&gt; 9 permanent export permits issued</li> <li>&gt; 2 permanent export permits refused</li> <li>&gt; 2 certificates of exemption issued</li> <li>&gt; 1 certificate of exemption variation issued</li> <li>&gt; 1 temporary export permit variation issued</li> <li>&gt; 3 permanent export permit variations issued</li> <li>&gt; 2 applications to the National Cultural Heritage account approved</li> </ul> <p>Unlawful imports – return of protected foreign cultural property: 12 objects were seized, of which 4 were returned to a foreign country</p>
<b>Methodology</b>	Analysis of departmental records

*This is the final reporting period for this measure*

Regulatory activities under the *Protection of Movable Cultural Heritage Act 1986* are undertaken in response to applications received for export permits and certificates of exemption. Regulatory activities may also be undertaken with respect to objects that have been illegally exported from Australia or imported into Australia after being illegally exported from another country.

In 2021–22, one export permit was refused for a bark painting by the artist Jack Karadada. There was also an increase in the number of temporary export permits issued. This was due to more applications being received in response to amendments made to the *Protection of Movable Cultural Heritage Regulations 2018*. In addition, 7 objects seized were returned to 4 foreign countries. Of these, one object was returned to the Embassy of Peru in November 2021, one object was returned to the Embassy of the Philippines in November 2021, one object was returned to the High Commission for Pakistan in December 2021, and 4 objects were returned to the Embassy of the Islamic Republic of Iran in November 2021 and January 2022.

**Key activity: Provide policy advice and program delivery on the news and media industry, copyright and content frameworks**

### 77. Number and proportion of Australian community radio licence holders receiving Community Broadcasting Program funding

Source: 2021–22 Portfolio Budget Statements p. 76 2021–22 Corporate Plan p. 59

<b>2021–22 target</b>	Numbers fluctuate depending on round structure and applications received
<b>2021–22 result</b>	<p><b>No target</b></p> <p>There are 461 community broadcasting licences in Australia held by 332 organisations. 43% of these organisations are supported by grants from the Community Broadcasting Program distributed via the Community Broadcasting Foundation. The program also funds sector organisations to deliver services and sector-wide development initiatives, as well as content producers</p>
<b>Previous result</b>	New measure for 2021–22 – result not available
<b>Methodology</b>	Analysis of departmental records and reporting by the Community Broadcasting Foundation

*This is the final reporting period for this measure*

The grant structure that has been in place for the past 5 financial years was maintained across the reporting period.

Funding was dispersed under the following 3 grant streams:

- > Content grants supported the development, production and distribution of radio, TV and digital content created for and by local communities. In 2021–22, content grants focused on increasing community participation in community broadcasting so as to reflect the diversity of voices, opinions and cultures that make up a socially cohesive Australian society. This included a focus on nurturing local creativity and excellence in content production. This stream also allocated funds towards supporting ongoing ethnic, Indigenous and RPH (Radio for the Print Handicapped) programs.

- > Development and operations grants supported community media to build a strong and resilient future for stations by strengthening governance, accountability and technical capacity, and by building sustainable operations.
- > One of the core goals of the program is to support a strong and thriving Australian community media sector which connects, informs and entertains Australians in their communities across the country. The sector investment stream funds key organisations and invests in major projects. In 2021–22 investments were made in future-focused strategic sector-wide projects that are providing centralised solutions for community broadcasters, stations, audiences and musicians. These include the Multiplatform Distribution Project, Community Radio Plus App, Australian Music Radio Airplay Project (Amrap), digital radio and network services, dedicated national training programs, and research.

The grants awarded under these 3 streams supported hundreds of local communities and other communities of interest across Australia, as well as helping the sector continue its ongoing contribution to achieving the objectives of the *Broadcasting Services Act 1992*.

**Key activity: Provide policy advice and operational support to the classification regulatory framework**

## 78. Number of decisions made and proportion within statutory timeframes by:

### a) Classification Board

### b) Classification Review Board

Source: 2021–22 Portfolio Budget Statements pp. 77 & 86, 2021–22 Corporate Plan p. 59

<b>2021–22 target</b>	Decision-making is based on industry demand
<b>2021–22 result</b>	<div style="background-color: #c6e0b4; padding: 2px;"><b>Target met</b></div> <p>Decisions of the Classification Board and Classification Review Board were within the specified statutory timeframes</p>
<b>Previous result</b>	<p>Revised measure for 2021–22</p> <p>Reporting in 2020–21 showed positive results across the classification framework</p>
<b>Methodology</b>	Analysis of reporting by the Classification Board and Classification Review Board



The Classification Board made 2,479 classification decisions in 2021–22, a small decrease from 2,491 in the previous year. No decisions exceeded the statutory time limit of 20 days for standard applications and 5 days for a priority application. The number of Public Exhibition films classified for release in cinemas increased from the previous reporting year. This was due to the re-opening of cinemas across Australia that were shut down for an extended period during the year due to the COVID-19 pandemic.

During the 2021–22 reporting period, the Classification Review Board received 4 applications for review. All reviews were completed within the statutory timeframe.

### Effectiveness measure: Supporting sustainable creative and cultural sectors

#### 79. Contribution of cultural and creative sectors to the economy

Source: 2021–22 Portfolio Budget Statements p. 86, 2021–22 Corporate Plan p. 60

<b>2021–22 target</b>	No target set for 2021–22 as results likely to be heavily impacted by COVID-19
<b>2021–22 result</b>	<b>No target</b> Finalised data not available at time of reporting
<b>Previous result</b>	The overall contribution in 2018–19 was \$115.843 billion, equating to 6% of GDP (latest available data)
<b>Methodology</b>	Analysis of ABS Input-Output data, using the methodology outlined in the Cultural and Creativity Activity in Australia 2008–09 to 2016–17 Working Paper. Sectors include activity such as broadcasting, film, music composition and music publishing  Inputs for the cultural and creative activity paper that is prepared by BCARR are directly sourced from ABS publications. The methodology has been consulted on with internal stakeholders, the ABS and other APS agencies. Many non-departmental factors are relevant to performance against this measure

*This is the final reporting period for this measure*

No analysis could be provided as finalised data was not available at the time of reporting.

## 80. Donations and bequests reported by arts and culture charities

Source: 2021–22 Portfolio Budget Statements p. 86, 2021–22 Corporate Plan p. 60

<b>2021–22 target</b>	No target set for 2021–22 as results likely to be heavily impacted by COVID-19
<b>2021–22 result</b>	<p><b>No target</b></p> <p>Organisations on the Register of Cultural Organisations who provided statistical returns reported \$151.4 million in private sector support in 2020–21 (latest available data)</p>
<b>Previous result</b>	<p>Revised measure for 2021–22</p> <p>Estimated private sector support to the arts was \$369.3 million in 2019–20</p> <p>Organisations on the Register of Cultural Organisations reported \$117.8 million in private sector support in 2019–20 (latest available data)</p>
<b>Methodology</b>	Sum of donations and bequests reported by charities to the Australian Charities and Not-for-profit Commission nominating their main activity as culture and arts, using the most recent dataset available

*This is the final reporting period for this measure*

The Australian Charities and Not-for-profit Commission methodology has changed, which means the department could not use the planned methodology for calculating total private sector support outlined in the 2021–22 Corporate Plan. The previous methodology is no longer fit-for-purpose as it relied on a survey undertaken by the former Australian Business Arts Foundation (AbaF) from 2001–2010. The accuracy of this survey could not be readily verified.

For the Register of Cultural Organisations data for 2020–21 is the latest available for 2021–22 reporting.

## Effectiveness measure: Supporting inclusive creative and cultural sectors

**81. Impact of our activities to support, preserve and celebrate Indigenous languages, arts and culture, indicated through:**

- a) number and strength of Aboriginal and Torres Strait Islander languages being spoken**
- b) number of Indigenous art centre workers employed and artists active with funded art centres**

Source: 2021–22 Portfolio Budget Statements p. 87, 2021–22 Corporate Plan p. 60

<b>2021–22 target</b>	<p>a) No target as new data is not expected for 2021–22</p> <p>In 2021–22, we are establishing a pilot program<sup>a</sup> to capture data and evaluate the progress of activities delivered by ILA program grant recipients against the 10-year target for 'Closing the Gap Target 16' for Aboriginal and Torres Strait Islander languages</p> <p>b) Reporting in 2021–22 shows <math>\geq 450</math> Indigenous art centre workers employed and <math>\geq 8000</math> artists engaged in report year</p>
<b>2021–22 result</b>	<p><b>Data not available</b></p> <p>a) No target</p> <p>In 2021–22, a pilot program was established to capture data and evaluate the progress of activities delivered by Indigenous Languages and Arts program grant recipients against the 10-year target for 'Closing the Gap Target 16' for Aboriginal and Torres Strait Islander languages.</p> <p>b) Data not available</p> <p>Full year data was not available at the time of reporting.</p> <p>Reporting to 31 December 2021 shows 519 (<math>&gt; 450</math>) Indigenous art centre workers employed and 7,536 artists engaged across 84 art centres. The number of artists engaged of <math>&lt; 8,000</math> is likely due to impacts of COVID-19 in remote communities</p>
<b>Previous result</b>	<p>Revised measure for 2021–22</p> <p>Positive results were achieved in 2020–21 through the support provided as part of the Indigenous Languages and Arts program, the Indigenous Repatriation Program, the Indigenous Visual Arts Industry Support program and the Indigenous Contemporary Music Program</p>
<b>Methodology</b>	<p>a) Analysis of ILA program data from the SmartyGrants grants management system</p> <p>b) Reporting during the year by IVAIS funded art centres</p>

- a. The pilot is a partnership between the Indigenous Languages and Arts Program and the Cultural Development Network. They were engaged, with the assistance of 2 Indigenous language centres and one Indigenous cultural arts organisation, to collect relevant data so as to measure and evaluate progress against Closing the Gap Target 16. The COVID-19 disruption led to delays in engaging and training the participant organisations and therefore the collection of data through the pilot will not commence before 2022–23.

**82. Impact of our arts and cultural activities to support regional access and participation, indicated through:**

- a) project audience numbers/ participants involved with funded projects**
- b) number of regional/ remote locations that hosted funded projects**

Source: 2021–22 Portfolio Budget Statements p. 87, 2021–22 Corporate Plan p. 61

<b>2021–22 target</b>	2021–22 data will establish a benchmark; however, it is not envisaged that the number will increase each year, given the variety of projects funded and that the programs are demand driven
<b>2021–22 result</b>	<div style="background-color: #e0e0e0; padding: 2px; display: inline-block;"><b>No target</b></div> <ul style="list-style-type: none"> <li>a) Estimated audience: over 6.2 million Estimated participation: over 1.1 million</li> <li>b) Estimated number of locations: over 1,200</li> </ul>
<b>Previous result</b>	<p>Revised measure for 2021–22</p> <p>Positive results were achieved in 2020–21 through the delivery of the Regional Arts Fund, the Festivals Australia program and the regional touring exhibitions funding program</p>
<b>Methodology</b>	Calculated from departmental data from arts programs and Regional Arts Fund data provided by Regional Arts Australia

Information to determine the achievement of the measure is based on data provided by grantees as part of their applications to arts programs. Results may not reflect actual audience and participation, particularly when considering the impact of COVID-19 effects and restrictions. Results are driven by the amount of funding available to activities as well as types of activities granted funding through competitive processes.

### 83. Engagement with the national cultural institutions (NCIs), indicated through:

- a) number of in-person visits to engage with national collecting institutions (including on and off-site visits)
- b) percentage of objects in national collections accessible online
- c) number of web visits to the NCIs

Source: 2021–22 Portfolio Budget Statements p. 87, 2021–22 Corporate Plan p. 61

<b>2021–22 target</b>	Maintain or increase 2021–22 annual engagement results compared to annual averages since 2012–13 (when the engagement indicators were established). In person visits will be impacted by COVID-19
<b>2021–22 result</b>	<p><b>Target partially met</b></p> <ul style="list-style-type: none"> <li>a) 5.3 million – target not met</li> <li>b) 15.3% – target met</li> <li>c) 41.8 million – target not met</li> </ul>
<b>Previous result</b>	<ul style="list-style-type: none"> <li>a) Not applicable</li> <li>b) 14.7% – target met</li> <li>c) 43.1 million – target not met</li> </ul>
<b>Methodology</b>	Analysis of reporting from the NCIs

*This is the final reporting period for this measure*

Assessment of the estimated achievement of the measure is based on information provided by the national cultural institutions (which includes collecting and non-collecting institutions). The collection of data is based on a key performance indicator framework, which includes definitions of each indicator to ensure data is collected and reported consistently across the institutions.

The operations of these institutions have been impacted by COVID-19. During the reporting period, the national collecting institutions were subject to various COVID-19 restrictions that impacted in-person visitor numbers, including closures, social distancing and congregation limits. COVID-19 restrictions affected all aspects of in-person visits, on-site and off-site. This was due to both operations and activities, as well as potential local and international visitors, all being subject to COVID-19 restrictions during the reporting period.

The percentage of objects held by national collections accessible online grew to 15.3 per cent and website visits to the national cultural institutions totalled 41.5 million. This is a reduction on the number of website visits in 2020–21. However, changes to the operation of Google Analytics may have impacted the measurement of online visits over the last three years.

The metrics are based on aggregated analysis of the reporting data.

Further information on engagement with the national cultural institutions is reported in their individual annual reports.

**Effectiveness measure: Protecting and promoting Australian content**

**84. Effectiveness of the current Australian content framework, indicated through:**

**a) Australian content quota compliance**

**b) the existence of public data on Australian content available on streaming video on demand services**

Source: 2021–22 Portfolio Budget Statements p. 78, 2021–22 Corporate Plan p. 62

<b>2021–22 target</b>	Reporting in 2021–22 shows frameworks are effective
<b>2021–22 result</b>	<b>Target met</b> Reporting in 2020–21 showed positive results across the content framework
<b>Previous result</b>	Reporting in 2020–21 showed positive results across the content framework
<b>Methodology</b>	Analysis of reporting by the ACMA

The ACMA advised that all metropolitan commercial television broadcasting licensees reported meeting their primary channel (55%) and non-primary channel (1,460 hours) transmission quotas for Australian content in 2021. All regional licensees either met or were deemed to have met their transmission quota requirements.

Due to changes in the regulatory framework and compliance reporting at the time of reporting, detailed results on Australian content compliance for first release, Australian programs by type and genre, were not yet available for the department to analyse.

Voluntary reporting published by the ACMA on the provision of Australian content by streaming video on demand services showed an increase in total available programs, program hours and investment in Australian or Australian-related programming, when compared to 2020–21.

We consulted on a proposal to introduce Australian content quotas for streaming services, including on a discussion paper released by the former government in February 2022. Feedback received from stakeholders on the legislative design of a content quota will inform our future advice to government on opportunities to boost Australian content on our screens.

Since the 2020–21 Annual Report, the previous regulations for Australian content quotas for commercial television broadcasters have been repealed and replaced with the Australian Content and Children’s Television Standards 2020. These standards came into effect on 1 January 2021, and included a later reporting date for broadcasters of 31 March 2022. As this was the first reporting period under the new compliance process. At the time of reporting the ACMA had not yet finalised the detailed reporting for the department to analyse.

In December 2021, the ACMA reported that streaming video on demand services (Amazon Prime, Disney, Netflix and Stan), spent \$178.9 million on Australian programs in 2020–21, up from \$153 million the previous year.

Additionally, the streaming services spent \$450 million on acquiring, producing or investing in Australian-related programs. In total, 2,030 Australian program titles were available to Australian audiences across these services, representing 6,019 hours of content. Commissions and co-commissions of 22 new Australian programs made up more than half of the investment by streaming services. However, this was a slight decline in investment in new Australian programming from the previous year.

**85. Effectiveness of the current copyright framework, indicated through:**  
**a) amount of copyright distributions paid to creators by the copyright collecting societies**  
**b) annual Consumer Survey on Online Copyright Infringement**

Source: 2021–22 Portfolio Budget Statements pp. 78 & 87, 2021–22 Corporate Plan p. 62

<b>2021–22 target</b>	Reporting in 2021–22 shows frameworks are effective
<b>2021–22 result</b>	<b>Target met</b> Reporting in 2020–21 showed positive results across the copyright framework
<b>Previous result</b>	Revised measure for 2021–22 Reporting in 2020–21 showed positive results across the copyright framework
<b>Methodology</b>	Analysis of reporting by the copyright collecting societies and results from the annual survey

Copyright incentivises creators and industries to make and distribute new creative works, while allowing appropriate access to, and use of, these works in the public interest. As part of monitoring the stability of the creative economy, we continued to assess financial distributions to content creators and other copyright owners from the 4 main copyright collecting societies and arranged the tabling of the 2 declared collecting societies' annual reports in parliament. Data released in 2021–22 for the 2020–21 financial year indicate that distributions continue to be significant, although some collecting societies reported minor reductions in distribution levels from the previous year.

Data released in 2021–22 indicate that in the 2020–21 financial year:

- > \$430.7 million was distributed to over 409,000 copyright owners in the music industry, including musicians, composers, songwriters and publishers, by the Australasian Performing Right Association (APRA) and Australasian Mechanical Copyright Owners Society (AMCOS), together known as APRA AMCOS.
- > \$102 million in revenue was distributed to more than 17,000 rights holders including writers, artists, publishers and agents by the Copyright Agency Limited (CAL).

- > \$36.4 million was distributed to registered artists and licensors by the Phonographic Performance Company of Australia (PPCA).
- > \$45.3 million was distributed to 4,900 copyright owners in the audiovisual sector, such as producers, directors, broadcasters and agents by Screenrights.

Data from future reporting periods may make it easier to distinguish between temporary impacts from the COVID-19 pandemic and longer-term trends resulting from changes to how copyright material is being used in consumer, teaching and business contexts, including pivots to online activity.

In 2021–22, we consulted broadly with stakeholders on potential reforms to copyright law, including on an exposure draft of the *Copyright Amendment (Access Reforms) Bill 2021*, released by the former government on 21 December 2021. Feedback received from stakeholders on reform issues will inform our future advice to government on opportunities to update and improve the copyright framework.

As part of our commitment to support strong and sustainable creative and cultural industries, we conducted our annual Consumer Survey on Online Copyright Infringement to gather information on Australians' consumption of online content across 5 key areas: music; movies / film; television; video games; and live sport. A total of 2,932 individuals (12 years and older) provided responses regarding their consumption of online content. The results suggested that fewer Australians had consumed at least some content online in ways that were likely to be unlawful in the 3 months prior to the 2021 survey (30%) than in the 3 months prior to the 2020 survey (34%). They also suggest that Australia's website blocking scheme is having some effect on behaviour, 11% of respondents reported encountering blocks when trying to access websites, and 59% of these respondents reported they gave up after encountering the block, while 18% indicated that they had sought alternative lawful access.



## Results Matrix

Measures	Target met	Target partially met	Target not met	No target	Data not available
69. Progress against the National Arts and Disability Strategy		X			
70. Number of students enrolled in courses at national performing arts training organisations	X				
71. Number of claimants (including authors, illustrators and publishers) to receive funding through lending rights	X				
72. Artbank operations, number of: a) artworks purchased b) artworks leased c) clients				X	
73. Number of art centres and art fairs funded through the Indigenous Visual Arts Industry Support (IVAIS) program	X				
74. Number of Indigenous language centres funded under the Indigenous Languages and Arts (ILA) program	X				
75. Activities to support the repatriation of Aboriginal and Torres Strait Islander ancestral remains and secret sacred objects: a) number of new agreements to repatriate ancestral remains from overseas b) number of ancestral remains and/or secret sacred objects repatriated to their community c) number of ancestral remains repatriated to Australia with no known community				X	
76. Regulatory activities undertaken under the <i>Protection of Movable Cultural Heritage Act 1986</i>				X	
77. Number and proportion of Australian community radio licence holders receiving Community Broadcasting Program funding				X	

Measures	Target met	Target partially met	Target not met	No target	Data not available
78. Number of decisions made and proportion within statutory timeframes by: a) Classification Board b) Classification Review Board	X				
79. Contribution of cultural and creative sectors to the economy				X	
80. Donations and bequests reported by arts and culture charities				X	
81. Impact of our activities to support, preserve and celebrate Indigenous languages, arts and culture, indicated through: a) number and strength of Aboriginal and Torres Strait Islander languages being spoken b) number of Indigenous art centre workers employed and artists active with funded art centres					X
82. Impact of our arts and cultural activities to support regional access and participation, indicated through: a) projected audience numbers/ participants involved with funded projects b) number of regional/remote locations that hosted funded projects				X	
83. Engagement with the national cultural institutions, indicated through: a) number of in-person visits to engage with national collecting institutions (including on and off-site visits) b) percentage of objects in national collections accessible online c) number of web visits to the national cultural institutions		X			
84. Effectiveness of the current Australian content framework, indicated through: a) Australian content quota compliance b) the existence of public data on Australian content available on streaming video on demand services	X				

Measures	Target met	Target partially met	Target not met	No target	Data not available
85. Effectiveness of the current copyright framework, indicated through:	X				
a) amount of copyright distributions paid to creators by the copyright collecting societies					
b) annual Consumer Survey on Online Copyright Infringement					
<b>Total</b>	<b>7</b>	<b>2</b>	<b>0</b>	<b>7</b>	<b>1</b>







# PART 5

## Financial statements





## INDEPENDENT AUDITOR'S REPORT

### To the Minister for Infrastructure, Transport, Regional Development and Local Government

#### Opinion

In my opinion, the financial statements of the Department of Infrastructure, Transport, Regional Development and Communications (the Entity) for the year ended 30 June 2022:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements 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 2022 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 2022 and for the year then ended:

- Statement by the Secretary and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Administered Schedule of Comprehensive Income;
- Administered Schedule of Assets and Liabilities;
- Administered Reconciliation Schedule;
- Administered Cash Flow Statement; and
- Notes to and forming part of the financial statements, comprising a Summary of Significant Accounting Policies and other explanatory information.

#### Basis for opinion

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

#### 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.

Key audit matter	How the audit addressed the matter
<p><b>Valuation of Administered Advances and Loans</b></p> <p><i>Refer to Note 4.1B 'Administered – Trade and other receivables' and Note 7.3 'Administered – Financial Instruments'</i></p> <p>I focused on this balance due to its significance to the financial statements and the complexity of the accounting treatment required for the measurement and valuation of advances and loans. The Entity administers a number of advances and loans, the most significant of which is the loan to NBN Co Limited.</p> <p>Advances and loans are complex as they are required to be assessed by the Entity for impairment based on an expected credit loss model. This model requires the Entity to make judgements and assumptions about the likelihood that advances and loans will not be recovered, resulting in a credit loss. These judgements are predominantly based on expected cash flow forecasts, credit ratings and probabilities of default events occurring.</p> <p>As at 30 June 2022 the value of administered trade and other receivables for advances and loans was \$9.1 billion.</p>	<p>To audit the valuation of advances and loans, I performed the following procedures:</p> <ul style="list-style-type: none"> <li>• evaluated the methodology adopted by the Entity against the Australian Accounting Standards to assess outstanding advances and loans for expected credit losses and impairment at 30 June 2022;</li> <li>• assessed the reasonableness of key assumptions made by the Entity in the expected credit loss model by comparing them to: <ul style="list-style-type: none"> <li>• publicly available information for comparable instruments relating to credit quality of loan counter parties, such as credit ratings and cash flow forecasts, where such information was available;</li> <li>• entity or industry benchmarks with appropriate adjustment for the specific loan arrangements; and</li> <li>• calculation and measurement of concessional loan discounts applied.</li> </ul> </li> <li>• tested the accuracy of calculations performed by the Entity within the expected credit loss model; and</li> <li>• tested, on a sample basis, loans advanced and repayments received during the year to loan contracts to assess the accuracy of the amounts and actual interest rates applied.</li> </ul>

Key audit matter	How the audit addressed the matter
<p><b>Valuation of Administered Investments accounted for using the discounted cash flow method</b></p> <p><i>Refer to Note 4.1D 'Administered - Other Investments'</i></p> <p>I focused on this balance given the significant value of these investments to the financial statements and the judgement and estimation applied by the Entity in determining the fair value of these investments.</p> <p>The discounted cash flow models used to determine the fair value of these investments requires a high level of judgement and estimation by the Entity. This is because the primary inputs into these models, particularly estimated future cash flows, discount rates, taxation assumptions, terminal values and weighted average cost of capital applied, are not always based on observable market data.</p> <p>There is risk of material misstatement in the estimated fair value attributable to the estimation uncertainty associated with the following inputs which have a significant impact on the estimation of the fair value of</p>	<p>To address the key audit matter I have:</p> <ul style="list-style-type: none"> <li>• assessed the competence and objectivity of management's valuation experts who performed the valuation for the Entity;</li> <li>• tested the mathematical accuracy of the discounted cash flow model used to determine the investment value;</li> <li>• assessed the appropriateness of the Entity's assumptions and inputs used in the valuation model, including cash flow, growth forecasts and the discount rate applied. This involved: <ul style="list-style-type: none"> <li>• evaluating management's assessment of prior period evidence and the difference between estimates and current year actuals to assess the reliability of inputs used in the valuation process;</li> </ul> </li> </ul>

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the investments:

- the estimated future cash flow of the investments. This primarily relates to revenue, capital and operating expenditure forecasts. The complexity of estimating these cash flows is increased for NBN Co Limited due to further upgrade of the NBN network which will connect additional premises to fibre to the node technology and is estimated by the Entity to contribute to increased revenue growth;
  - the estimation of the terminal value, including estimates of the amount of debt, gearing structure and associated financing assumptions included in the calculation;
  - assumptions relating to the whether the use of accumulated tax losses of investments should be included in the cash flow forecast, given there is uncertainty as to whether these losses would be available to a hypothetical purchaser;
  - the determination of a discount rate and weighted average cost of capital, particularly whether the rate has been appropriately adjusted to reflect any specific risk and market premiums; and
  - Evaluating the ongoing economic impact of the COVID-19 pandemic on the valuation of:
    - Airservices Australia as there has been a significant decrease in domestic and international air travel because of the pandemic. Airservices Australia generates a significant proportion of its revenue from on-route air traffic control and navigation services and has been reliant on government support to fully fund operations during the pandemic. At 30 June 2022 there continues to be uncertainty as to the timing of revenue returning to pre-pandemic levels; and
    - Australian Postal Corporation as there was an increase in volume of parcels delivered during the pandemic. At 30 June 2022, there continues to be increased uncertainty as to whether the volume of parcels, which contribute significant revenue and cost drivers will be maintained – particularly across the long term.
- assessing the reasonableness of assumptions underpinning the selection of an appropriate discount rate, particularly specific risk and market premiums influencing the rate calculated;
  - assessing the reasonableness of assumptions underpinning future cash flows, particularly future revenue and cost assumptions applied in the valuation model against estimates contained within corporate plans produced by each entity; and
  - assessing the reasonableness of assumptions underpinning the selection of an appropriate discount rate, particularly specific risk and market premiums influencing the rate calculated.
- assessed the Entity's comparison of key inputs used in the valuation model against available market information. This included comparing each company's earnings before income tax, depreciation and amortisation as a proportion of the investment value to similar listed companies with comparable business activities to confirm that they fall within a consistent range;
  - considered the sensitivity of the valuation by adjusting the discount rate, terminal value growth rate, probabilities attached to future scenarios to other outcomes that I considered reasonably foreseeable to confirm the value of the investment calculated by the Entity was within a reasonable range; and
  - assessed the adequacy of disclosures made in note 4.1D to the financial statements to determine whether that the information presented by the Entity is in accordance with AASB 13.

As at 30 June 2022 the value of the investments recognised on the basis of discounted cashflows was:

- NBN Co Limited was \$19.7 billion;
  - Australian Postal Corporation was \$1.9 billion;
  - Airservices Australia was \$0.3 billion; and
  - Australian Rail Track Corporation was \$2.6 billion.
-



### 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 – Reduced Disclosure Requirements 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

*Rebecca Reilly*  
*Executive Director*

*Delegate of the Auditor-General*

*Canberra*  
*23 September 2022*

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**  
**STATEMENT BY THE SECRETARY AND CHIEF FINANCIAL OFFICER**

In our opinion, the attached financial statements are based on properly maintained financial records and give a true and fair view of the Department of Infrastructure, Transport, Regional Development and Communication's (the department, which has now been renamed the Department of Infrastructure, Transport, Regional Development, Communications and the Arts) operations and financial position for the year ended 30 June 2022.

The financial statements comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act. In our opinion, at the date of this statement, there are reasonable grounds to believe that the department will be able to pay its debts as and when they fall due.

*Jim Betts*  
Secretary

20 September 2022

*Brad Medland*  
Chief Financial Officer

20 September 2022

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**  
**STATEMENT OF COMPREHENSIVE INCOME**  
*for the period ended 30 June 2022*

	Notes	2022 \$'000	2021 \$'000	Original Budget 2022 \$'000
<b>NET COST OF SERVICES</b>				
<b>Expenses</b>				
Employee benefits	1.1A	241,662	206,787	249,185
Suppliers	1.1B	134,293	122,733	130,769
Grants and contributions	1.1C	7,873	9,078	6,300
Depreciation and amortisation	3.2A	38,266	35,883	36,638
Finance costs	1.1D	1,140	1,339	2,491
Write-down and impairment of assets	1.1E	1,375	613	-
Other expenses	1.1F	-	393	-
<b>Total expenses</b>		<b>424,609</b>	<b>376,826</b>	<b>425,383</b>
<b>Own-Source Income</b>				
<b>Own-source revenue</b>				
Revenue from contracts with customers	1.2A	7,205	6,588	3,707
Rental income	1.2B	4,869	6,366	5,176
Other revenue	1.2C	3,129	3,317	2,565
<b>Total own-source revenue</b>		<b>15,203</b>	<b>16,271</b>	<b>11,448</b>
<b>Gains</b>				
Other gains	1.2D	298	182	415
<b>Total gains</b>		<b>298</b>	<b>182</b>	<b>415</b>
<b>Total own-source income</b>		<b>15,501</b>	<b>16,453</b>	<b>11,863</b>
<b>Net cost of services</b>		<b>409,108</b>	<b>360,373</b>	<b>413,520</b>
Revenue from Government	1.2E	414,308	366,843	395,817
<b>Surplus/(Deficit) on continuing operations</b>		<b>5,200</b>	<b>6,470</b>	<b>(17,703)</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items not subject to subsequent reclassification to net cost of services</b>				
Changes in asset revaluation reserve		4,606	-	-
<b>Total other comprehensive income</b>		<b>4,606</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss)</b>		<b>9,806</b>	<b>6,470</b>	<b>(17,703)</b>

The above statement should be read in conjunction with the accompanying notes, including the budget variance commentaries.

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**  
**STATEMENT OF FINANCIAL POSITION**  
*as at 30 June 2022*

	Notes	2022 \$'000	2021 \$'000	Original Budget 2022 \$'000
<b>ASSETS</b>				
<b>Financial assets</b>				
Cash and cash equivalents	3.1A	17,339	12,100	11,629
Trade and other receivables	3.1B	161,336	155,650	141,190
Accrued revenue		3,431	582	1,017
<b>Total financial assets</b>		<b>182,106</b>	168,332	153,836
<b>Non-financial assets<sup>1</sup></b>				
Buildings	3.2A	113,261	135,564	117,136
Heritage and cultural	3.2A	42,516	36,107	35,436
Property, plant and equipment	3.2A	20,318	18,804	19,692
Intangibles	3.2A	53,563	40,341	45,384
Other non-financial assets	3.2C	7,718	4,966	6,338
<b>Total non-financial assets</b>		<b>237,376</b>	235,782	223,986
<b>Total assets</b>		<b>419,482</b>	404,114	377,822
<b>LIABILITIES</b>				
<b>Payables</b>				
Suppliers	3.3A	28,166	31,103	34,537
Other payables	3.3B	13,206	9,874	7,760
<b>Total payables</b>		<b>41,372</b>	40,977	42,297
<b>Interest bearing liabilities</b>				
Leases	3.4A	98,148	115,114	98,837
<b>Total interest bearing liabilities</b>		<b>98,148</b>	115,114	98,837
<b>Provisions</b>				
Employee provisions	6.1A	70,619	69,393	74,776
Other provisions	3.5	631	713	960
<b>Total provisions</b>		<b>71,250</b>	70,106	75,736
<b>Total liabilities</b>		<b>210,770</b>	226,197	216,870
<b>Net assets</b>		<b>208,712</b>	177,917	160,952
<b>EQUITY</b>				
Contributed equity		32,826	11,837	32,825
Retained surplus		129,279	124,079	86,123
Reserves		46,607	42,001	42,004
<b>Total equity</b>		<b>208,712</b>	177,917	160,952

<sup>1</sup> Right-of-use assets are included in Buildings and Property, plant and equipment.

The above statement should be read in conjunction with the accompanying notes, including the budget variance commentaries.

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**

**STATEMENT OF CHANGES IN EQUITY**

*for the period ended 30 June 2022*

	2022 \$'000	2021 \$'000	Original Budget 2022 \$'000
<b>CONTRIBUTED EQUITY</b>			
Opening balance as at 1 July 2021	11,837	(9,203)	11,836
<b>Transactions with owners</b>			
<b>Contributions by owners</b>			
Departmental Capital Budget	20,989	21,040	20,989
<b>Total transactions with owners</b>	<b>20,989</b>	<b>21,040</b>	<b>20,989</b>
<b>Closing balance as at 30 June</b>	<b>32,826</b>	<b>11,837</b>	<b>32,825</b>
<b>RETAINED SURPLUS</b>			
Opening balance as at 1 July 2021	124,079	117,609	103,826
<b>Comprehensive income</b>			
Surplus/(Deficit) for the period	5,200	6,470	(17,703)
<b>Total comprehensive income</b>	<b>5,200</b>	<b>6,470</b>	<b>(17,703)</b>
<b>Closing balance as at 30 June</b>	<b>129,279</b>	<b>124,079</b>	<b>86,123</b>
<b>ASSET REVALUATION RESERVE</b>			
Opening balance as at 1 July 2021	42,001	42,001	42,004
<b>Comprehensive income</b>			
Other comprehensive income			
Changes in asset revaluation reserve			
Non-financial assets	4,606	-	-
<b>Total comprehensive income</b>	<b>4,606</b>	<b>-</b>	<b>-</b>
<b>Closing balance as at 30 June</b>	<b>46,607</b>	<b>42,001</b>	<b>42,004</b>

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**

**STATEMENT OF CHANGES IN EQUITY**

for the period ended 30 June 2022

	2022 \$'000	2021 \$'000	Original Budget 2022 \$'000
<b>TOTAL EQUITY</b>			
<b>Opening balance as at 1 July 2021</b>	<b>177,917</b>	150,407	157,666
<b>Comprehensive income</b>			
Surplus/(Deficit) for the period	<b>5,200</b>	6,470	(17,703)
Changes in asset revaluation reserve			
Non-financial assets	<b>4,606</b>	-	-
<b>Total comprehensive income</b>	<b>9,806</b>	6,470	(17,703)
<b>Transactions with owners</b>			
<b>Contributions by owners</b>			
Departmental Capital Budget	<b>20,989</b>	21,040	20,989
<b>Total transactions with owners</b>	<b>20,989</b>	21,040	20,989
<b>Closing balance as at 30 June</b>	<b>208,712</b>	177,917	160,952

The above statement should be read in conjunction with the accompanying notes, including the budget variance commentaries.

**Accounting Policy**

Equity Injections

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

Restructuring of Administrative Arrangements

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

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**  
**CASH FLOW STATEMENT**  
*for the period ended 30 June 2022*

	Notes	2022 \$'000	2021 \$'000	Original Budget 2022 \$'000
<b>OPERATING ACTIVITIES</b>				
<b>Cash received</b>				
Appropriations		424,199	376,239	390,987
Revenue from contracts with customers		4,948	8,082	7,608
Net GST received		15,402	9,256	-
Other		6,877	8,832	5,217
<b>Total cash received</b>		<b>451,426</b>	<b>402,409</b>	<b>403,812</b>
<b>Cash used</b>				
Employees		238,913	208,301	247,490
Suppliers and grants		162,534	140,601	134,786
Interest payments on lease liabilities		1,140	1,336	2,425
Section 74 receipts transferred to OPA		21,934	22,917	-
Other expenses		-	-	66
<b>Total cash used</b>		<b>424,521</b>	<b>373,155</b>	<b>384,767</b>
<b>Net cash from operating activities</b>		<b>26,905</b>	<b>29,254</b>	<b>19,045</b>
<b>INVESTING ACTIVITIES</b>				
<b>Cash used</b>				
Purchase of buildings		821	832	-
Purchase of property, plant and equipment		9,796	2,864	20,989
Purchase of intangibles		18,367	15,643	-
<b>Total cash used</b>		<b>28,984</b>	<b>19,339</b>	<b>20,989</b>
<b>Net cash (used by) investing activities</b>		<b>(28,984)</b>	<b>(19,339)</b>	<b>(20,989)</b>
<b>FINANCING ACTIVITIES</b>				
<b>Cash received</b>				
Departmental Capital Budget		28,984	12,981	20,989
<b>Total cash received</b>		<b>28,984</b>	<b>12,981</b>	<b>20,989</b>
<b>Cash used</b>				
Principal payments of lease liabilities		21,666	21,075	18,935
<b>Total cash used</b>		<b>21,666</b>	<b>21,075</b>	<b>18,935</b>
<b>Net cash from/(used by) financing activities</b>		<b>7,318</b>	<b>(8,094)</b>	<b>2,054</b>
<b>Net increase in cash held</b>		<b>5,239</b>	<b>1,821</b>	<b>110</b>
Cash and cash equivalents at the beginning of the reporting period		12,100	10,279	11,519
<b>Cash and cash equivalents at the end of the reporting period</b>	3.1A	<b>17,339</b>	<b>12,100</b>	<b>11,629</b>

The above statement should be read in conjunction with the accompanying notes, including the budget variance commentaries.



## DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS

for the period ended 30 June 2022

### **Budget Variance Commentary**

The budget variance commentary reflects major differences between the actual balances and the original budgeted amounts presented in the department's 2021-22 Portfolio Budget Statements (PBS).

Variances are considered to be 'major' based on the following criteria:

- the variance between budget and actual is greater than 10 percent or
- an item below this threshold that is considered important for the readers' understanding or is relevant to an assessment of the discharge of accountability and to an analysis of performance of the department.

### **Statement of Comprehensive Income**

#### **Expenses**

Grants and contribution expenses are \$1.6 million (25 percent) higher than the original budget mainly due to a transfer of the departmental funding to administered appropriation within the Public Interest Telecommunications Services Special Account (\$0.7 million) and a grant to a portfolio agency (\$0.5 million) that was not included in the original budget.

No budget allowance is made for impairment, write-downs or other expenses.

#### **Income**

Revenue from contracts with customers is \$3.5 million (94 percent) higher than budget mainly due to the recovery of expenses associated with seconded employees (\$2.6 million) being budgeted against employee expenses.

#### **Operating result**

The operating result (surplus) is \$27.5 million (155 percent) higher than budget mainly due to an underspend in the Per- and Poly-Fluoroalkyl Substances (PFAS) measure. This relates to a change in the program implementation strategy to commence with a pilot ahead of the full program rollout (\$22.8 million).

### **Statement of Financial Position**

Financial assets are higher than budget by \$28.3 million (18 percent) mainly due to higher than budgeted cash and appropriation receivables (unspent appropriations). Unspent appropriations are attributable to the operating result (see above).

Heritage and cultural assets are higher than budget by \$7.1 million (20 percent) mainly due to their increase in value, following a revaluation undertaken by an independent qualified expert during the year.

Intangibles are higher than budget by \$8.2 million (18 percent) mainly due to the commencement of capital projects that were delayed in the prior year due to the impact of COVID-19.

Other non-financial assets are higher than budget by \$1.4 million (22 percent) mainly due to the timing of payments made in relation to prepayments.

Other payables are higher than budget by \$5.5 million (70 percent) mainly due to the budget not taking into account six additional business days between the last payday and 30 June.

No budget allowance is made for other gains.

### **Cash Flow Statement**

Variances against budget in the Cash Flow Statement are consistent with the variances in the corresponding income and expenses discussed above. No specific allowances were made in the Budgeted Cash Flow Statement for GST received or the transfer of s74 receipts to the Official Public Account (OPA).

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**

**ADMINISTERED SCHEDULE OF COMPREHENSIVE INCOME**

for the period ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000	Original Budget 2022 \$'000
<b>NET COST OF SERVICES</b>				
<b>Expenses</b>				
Employee benefits	2.1A	15,871	15,970	16,623
Suppliers	2.1B	586,428	560,075	641,608
Subsidies	2.1C	1,832,724	2,459,303	1,300,539
Grants	2.1D	6,800,195	5,659,851	5,057,384
Depreciation and amortisation	4.2A	50,904	56,853	52,565
Impairment loss on financial instruments		31,372	-	-
Write-down and impairment of assets	2.1E	920	308	-
Losses from asset sales		-	54	-
Payments to corporate Commonwealth entities	2.1F	2,116,640	2,060,440	2,079,427
Concessional loans		82,880	-	-
Other expenses	2.1G	16,557	17,841	14,857
<b>Total expenses</b>		<b>11,534,491</b>	<b>10,830,695</b>	<b>9,163,003</b>
<b>Income</b>				
<b>Revenue</b>				
<b>Taxation revenue</b>				
Taxes	2.2A	34,160	14,753	42,091
<b>Total taxation revenue</b>		<b>34,160</b>	<b>14,753</b>	<b>42,091</b>
<b>Non-taxation revenue</b>				
Revenue from contracts with customers	2.2B	43,807	39,622	17,814
Western Sydney Airport preparatory activities		-	99,600	-
Levies, fees and fines	2.2C	149,640	132,808	154,774
Interest	2.2D	464,431	790,797	657,383
Dividends	2.2E	124,086	126,441	84,100
Rental income	2.2F	4,485	4,350	4,148
Other revenue	2.2G	5,344	4,108	1,200
<b>Total non-taxation revenue</b>		<b>791,793</b>	<b>1,197,726</b>	<b>919,419</b>
<b>Total revenue</b>		<b>825,953</b>	<b>1,212,479</b>	<b>961,510</b>
<b>Gains</b>				
Gains from sale of assets <sup>1</sup>		27,610	-	-
Other gains	2.2H	1,253	5,998	-
<b>Total gains</b>		<b>28,863</b>	<b>5,998</b>	<b>-</b>
<b>Total income</b>		<b>854,816</b>	<b>1,218,477</b>	<b>961,510</b>
<b>Net cost of services</b>		<b>(10,679,675)</b>	<b>(9,612,218)</b>	<b>(8,201,493)</b>
<b>(Deficit)</b>		<b>(10,679,675)</b>	<b>(9,612,218)</b>	<b>(8,201,493)</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items not subject to subsequent reclassification to net cost of services</b>				
Changes in asset revaluation reserve		1,451,750	2,731,465	-
<b>Total other comprehensive income</b>		<b>1,451,750</b>	<b>2,731,465</b>	<b>-</b>
<b>Total comprehensive (loss)</b>		<b>(9,227,925)</b>	<b>(6,880,753)</b>	<b>(8,201,493)</b>

<sup>1</sup> On 6 September 2021, the Australian Government sold the land at Bringelly in Western Sydney to the NSW Government to facilitate the development of the Western Sydney Aerotropolis under the Western Sydney City Deal. The department has recognised a gain of \$27.6 million on the sale amount of \$293.0 million.

The above statement should be read in conjunction with the accompanying notes, including the budget variance commentaries.

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**  
**ADMINISTERED SCHEDULE OF ASSETS AND LIABILITIES**  
*as at 30 June 2022*

	Notes	2022 \$'000	2021 \$'000	Original Budget 2022 \$'000
<b>ASSETS</b>				
<b>Financial assets</b>				
Cash and cash equivalents	4.1A	50,039	41,989	27,153
Trade and other receivables	4.1B	9,204,135	15,410,406	16,198,891
Investments	4.1D	38,601,862	35,724,643	34,426,102
Other financial assets	4.1E	77,577	79,216	77,409
<b>Total financial assets</b>		<b>47,933,613</b>	<b>51,256,254</b>	<b>50,729,555</b>
<b>Non-financial assets</b>				
Land and buildings	4.2A	224,466	206,528	234,993
Heritage and cultural	4.2A	185,576	173,869	171,582
Property, plant and equipment	4.2A	492,848	447,851	473,726
Intangibles	4.2A	4,407	6,766	3,496
Inventories	4.2B	3,067	2,632	2,408
Prepayments		3,078	3,071	9,505
<b>Total non-financial assets</b>		<b>913,442</b>	<b>840,717</b>	<b>895,710</b>
Assets held for sale		-	265,390	-
<b>Total assets administered on behalf of Government</b>		<b>48,847,055</b>	<b>52,362,361</b>	<b>51,625,265</b>
<b>LIABILITIES</b>				
<b>Payables</b>				
Suppliers	4.3A	338,561	353,698	371,293
Subsidies	4.3B	44,675	100,306	808,430
Grants	4.3C	145,219	94,662	45,748
Other payables	4.3D	8,073	9,283	7,651
<b>Total payables</b>		<b>536,528</b>	<b>557,949</b>	<b>1,233,122</b>
<b>Provisions</b>				
Employee provisions	6.1B	3,900	4,205	4,040
Loan commitment provision		271,361	-	-
Other provisions	4.4	809,524	413,840	76,286
<b>Total provisions</b>		<b>1,084,785</b>	<b>418,045</b>	<b>80,326</b>
<b>Total liabilities administered on behalf of Government</b>		<b>1,621,313</b>	<b>975,994</b>	<b>1,313,448</b>
<b>Net assets</b>		<b>47,225,742</b>	<b>51,386,367</b>	<b>50,311,817</b>

The above statement should be read in conjunction with the accompanying notes, including the budget variance commentaries.

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**

**ADMINISTERED RECONCILIATION SCHEDULE**

for the period ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000
<b>Opening assets less liabilities as at 1 July</b>		<b>51,386,367</b>	53,801,812
<b>Net (cost of)/contribution by services</b>			
Income		<b>854,816</b>	1,218,477
Expenses			
Payments to entities other than corporate Commonwealth entities		<b>(9,417,851)</b>	(8,770,255)
Payments to corporate Commonwealth entities		<b>(2,116,640)</b>	(2,060,440)
<b>Other comprehensive income</b>			
Revaluations and impairments transferred to reserves - non-financial assets		<b>101,826</b>	246,133
Revaluations transferred to reserves - investments		<b>1,349,924</b>	2,485,332
<b>Transfers (to)/from Australian Government</b>			
Appropriation transfers from Official Public Account (OPA)			
Administered asset and liabilities appropriations			
Loans to corporate Commonwealth entities		-	42,000
Other administered asset and liabilities appropriations		<b>1,531,040</b>	1,455,730
Annual appropriations			
Payments to entities other than corporate Commonwealth entities		<b>4,612,048</b>	5,124,786
Payments to corporate Commonwealth entities		<b>2,118,140</b>	2,060,440
GST		<b>251,569</b>	132,131
Special appropriations (limited)			
Northern Australia Infrastructure Facility		<b>457,681</b>	-
Special appropriations (unlimited)			
Payments to corporate Commonwealth entities		<b>220,763</b>	200,441
Refund of administered receipts - section 77 PGPA Act		<b>323</b>	268
Assistance for Severely Affected Regions (COVID-19)		-	161,625
Protection of the Sea Pollution Compensation Fund		<b>358</b>	-
Special appropriations - Financial Assistance Grants		<b>3,483,245</b>	2,561,384

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**

**ADMINISTERED RECONCILIATION SCHEDULE**

for the period ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000
Funds provided from related entity to the Public Interest			
Telecommunications Services Special Account		225,578	244,138
Regional Broadband Scheme			
Funds provided from related entity to the Regional Broadband Scheme			
Special Account		10,992	-
Settlement of provision <sup>1</sup>		327,711	-
Appropriation transfers to OPA			
Transfers to OPA		(1,194,544)	(1,213,864)
Transfers to OPA non-cash		(358)	-
Repayments of loans		(6,831,914)	(6,303,771)
Early repayment of loans		(123,709)	-
Other transfers			
Restructuring	8.3B	(21,623)	-
<b>Closing assets less liabilities as at 30 June</b>		<b>47,225,742</b>	<b>51,386,367</b>

<sup>1</sup> As at 30 June 2021, NBN Co was the only eligible funding recipient for the Regional Broadband Scheme (the scheme) and its entitlement under the scheme was \$338.7 million in subsidies, for the period 1 January to 30 June 2021. NBN Co applied for a charge offset certificate in March 2022 for that same period under section 98 of the *Telecommunications (Consumer Protection and Services Standards) Act 1999*. The charge offset certificate allows NBN Co to offset its entitlement under the scheme against its charge liability, for the period 1 January to 30 June 2021. A total of \$11.0 million remained owing to NBN Co and was subsequently paid in June 2022. Refer Note 4.4.

The above statement should be read in conjunction with the accompanying notes, including the budget variance commentaries.

**Accounting Policy**

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

Revenue collected by the department for use by the Government rather than the department is administered revenue. Collections are transferred to the Official Public Account (OPA) maintained by the Department of Finance. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of the Government. These transfers to and from the OPA are adjustments to the administered cash held by the department on behalf of the Government and reported as such in the Schedule of Administered Cash Flows and the Administered Reconciliation Schedule.

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**

**ADMINISTERED CASH FLOW STATEMENT**

for the period ended 30 June 2022

Notes	2022 \$'000	2021 \$'000
<b>OPERATING ACTIVITIES</b>		
<b>Cash received</b>		
Revenue from contracts with customers	43,941	38,972
Western Sydney Airport preparatory activities	-	99,600
Fees and fines	149,857	132,831
Interest	-	1
Dividends	124,086	126,441
Rental income	2,960	2,825
Royalties	1,213	1,317
Net GST received	207,437	131,867
Other taxes	34,160	14,753
Other revenue	5,665	3,581
<b>Total cash received</b>	<b>569,319</b>	<b>552,188</b>
<b>Cash used</b>		
Employees	16,149	15,760
Grants	6,749,638	5,603,396
Subsidies	1,167,478	2,083,100
Suppliers	848,106	707,840
Biodiversity offset credits	733	11
Payments to corporate Commonwealth entities	2,118,140	2,060,440
Other expenses	14,951	13,910
<b>Total cash used</b>	<b>10,915,195</b>	<b>10,484,457</b>
<b>Net cash (used by) operating activities</b>	<b>(10,345,876)</b>	<b>(9,932,269)</b>
<b>INVESTING ACTIVITIES</b>		
<b>Cash received</b>		
Repayments of loans	6,955,623	6,303,771
Interest	348,478	694,838
Proceeds from sale of land	293,000	-
Proceeds from sale of property, plant and equipment	-	26
<b>Total cash received</b>	<b>7,597,101</b>	<b>6,998,635</b>
<b>Cash used</b>		
Advances and loans made	457,681	42,000
Investments	1,527,298	1,448,454
Purchase of property, plant and equipment	15,844	21,182
Purchase of land and buildings	3,545	3,591
Purchase of heritage and cultural assets	-	1,611
Purchase of intangibles	19	-
<b>Total cash used</b>	<b>2,004,387</b>	<b>1,516,838</b>
<b>Net cash from investing activities</b>	<b>5,592,714</b>	<b>5,481,797</b>

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**

**ADMINISTERED CASH FLOW STATEMENT**

for the period ended 30 June 2022

	2022	2021
Notes	\$'000	\$'000
<b>FINANCING ACTIVITIES</b>		
<b>Cash received</b>		
Funds provided from related entity to the Public Interest Telecommunications Services Special Account	225,578	244,138
Funds provided from related entity to the Regional Broadband Scheme Special Account	10,992	-
<b>Total cash received</b>	<b>236,570</b>	<b>244,138</b>
<b>Net cash from financing activities</b>	<b>236,570</b>	<b>244,138</b>
<b>Net decrease in cash held</b>	<b>(4,516,592)</b>	<b>(4,206,334)</b>
Cash and cash equivalents at the beginning of the reporting period	41,989	27,153
<b>Cash from Official Public Account</b>		
Appropriations	12,217,128	11,696,805
Advances and loans made	457,681	42,000
<b>Total cash from official public account</b>	<b>12,674,809</b>	<b>11,738,805</b>
<b>Cash to official public account</b>		
Appropriations	(1,194,544)	(1,213,864)
Repayments of loans	(6,955,623)	(6,303,771)
<b>Total cash to official public account</b>	<b>(8,150,167)</b>	<b>(7,517,635)</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>4.1A 50,039</b>	<b>41,989</b>

The above statement should be read in conjunction with the accompanying notes, including the budget variance commentaries.

## DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS

for the period ended 30 June 2022

### Budget Variance Commentary

The budget variance commentary reflects major differences between the actual balances and the original budgeted amounts presented in the department's 2021-22 PBS.

Variances are considered to be 'major' based on the following criteria:

- the variance between budget and actual is greater than 10 percent or
- an item below this threshold that is considered important for the readers' understanding or is relevant to an assessment of the discharge of accountability and to an analysis of performance of the department.

### Administered Schedule of Comprehensive Income

Variances against the original budget are mainly due to the funding associated with the COVID-19 response packages, which are demand driven in nature. In addition, amendments to the Administrative Arrangements Order (AAO) on 2 July 2021 transferred responsibility for the Northern Australia Infrastructure Facility (NAIF) loans from the Department of Industry, Science, Energy and Resources (DISER), which were not reflected in the budgeted financial statements.

### Expenses

Subsidy expenses are higher than budget by \$532.2 million (41 percent) due to additional support provided to the Australian domestic airline industry through the Mid-Year Economic and Fiscal Outlook (MYEFO) Government measures.

Grants expenses are higher than budget by \$1.7 billion (34 percent) largely due to a Government decision to bring forward \$2.1 billion in Financial Assistance Grant program payments from 2022-23.

Concessional loan expenses were not included in the original budget as they relate to the NAIF loans which transferred from DISER as a result of the amendments to the AAO dated 2 July 2021.

No budget allowance is made for the write-down or impairment of assets.

### Income

Taxes are lower than budget by \$7.9 million (19 percent) mainly due to the impact of COVID-19 and border closures on the aviation industry throughout the year.

Revenue from contracts with customers is higher than budget by \$26.0 million (146 percent) mainly due to the recognition of budgeted revenue associated with airport related activities and motor vehicle imports in levies, fees and fines income.

Interest revenue is lower than budget by \$193.0 million (29 percent) mainly due to early repayments on the NBN Co loan.

Dividend revenue is higher than budget by \$40.0 million (48 percent) mainly due to the difference in timing between the original budget and finalisation of the corporate plans for some portfolio entities.

Gains from sale of assets are higher than budget by \$27.6 million due to the sale of land at Bringelly, NSW not included in the original budget.

No budget allowance is made for other gains.

### Administered Schedule of Assets and Liabilities

Trade and other receivables are lower than budget by \$7.0 billion (43 percent) mainly due to the early repayments on the NBN Co loan (\$6.8 billion).

Investments are higher than budget by \$4.2 billion (12 percent) mainly due to the difference in timing between the original budget and finalisation of the fair value calculations.

Subsidies payable is lower than budget by \$763.8 million (94 percent) as a result of the recognition of an estimated payment to an eligible funding recipient, NBN Co, under the Regional Broadband Scheme (RBS).

Grants payable is higher than budget by \$99.5 million (217 percent) mainly due to an amount payable under the Financial Assistance Grant program (\$86.0 million) being higher than anticipated in the original budget.

The loan commitment provision relates to the NAIF loans which transferred from DISER as a result of the amendments to the AAO dated 2 July 2021.

Other provisions are higher than budget by \$733.2 million (961 percent) mainly due to the recognition of an estimated payment to an eligible funding recipient, NBN Co, under the RBS as a Subsidy payable in the original budget. Refer Note 4.4.



**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

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## DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

#### Overview

##### The Basis of Preparation of the Financial Statements

The financial statements are required by section 42 of the PGPA Act.

The financial statements have been prepared in accordance with:

- the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR), and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

As required by the FRR, administered financial assets, administered financial instruments and administered fair value measurement are reported in accordance with Tier 1 disclosures under *AASB 1053 Application of Tiers of Australian Accounting Standards*. All other notes and schedules are reported in accordance with Reduced Disclosure Requirements (Tier 2) under AASB 1060.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified. Transactions denominated in foreign currency are converted at the exchange rate at the date of the transaction. Foreign exchange gains and losses are reported in the Statement of Comprehensive Income.

##### Impact of COVID-19 on the Financial Statements

The department has been impacted by COVID-19 across both its Administered and Departmental functions. The overall impact of COVID-19 has started to reduce as restrictions have eased, however there remains uncertainty as new variants of COVID-19 emerge. The department has considered the financial impact of COVID-19 in relation to:

- the administered grants and subsidies funding associated with delivering the emergency response programs to support the Aviation and Arts sectors. Refer Notes 2.1C and 2.1D.
- administered investments: reliability of forecast cash flows and other assumptions that underpin the fair value of administered investments, particularly those determined using a discounted cash flow method under *AASB 13 Fair Value Measurement*. Refer Notes 4.1D, 7.3 and 7.4.
- non-financial assets: impairment and revaluations of assets (*AASB 136 Impairment of Assets* and *AASB 116 Property, Plant and Equipment*). Refer Notes 3.2A and 4.2A.
- employee provisions: changes in the assumptions, discount rates and trends used to determine annual and long service leave provisions (*AASB 119 Employee Benefits*). Refer Note 6.1.
- impairment of financial assets: assumptions used to determine changes in credit risk and expected credit losses for loans and receivables (*AASB 9 Financial Instruments*). Refer Notes 3.1B, 4.1B, 7.2B and 7.3.

COVID-19 is not expected to have a material impact on other transactions and balances recorded in the financial statements.

##### New Australian Accounting Standards

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

Standard	Nature of change in accounting policy, transitional provisions, and adjustment to financial statements
AASB 1060 General Purpose Financial Statements- Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities	AASB 1060 applies to annual reporting periods beginning on or after 1 July 2021 and replaces the reduced disclosure requirements (RDR) framework. The application of AASB 1060 involves some reduction in disclosure compared to the RDR with no impact on the reported financial position, financial performance and cash flows of the entity.

##### Taxation

The department is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST). Revenues, expenses, assets and liabilities are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office, and
- for receivables and payables.

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**Reporting of administered activities**

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the administered schedules and related notes.

Except where 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.

**Breach of Section 83 of the Constitution**

One breach of Section 83 of the Constitution has been identified during the year. On 24 February 2022, the department mistakenly paid an amount of \$2 million to Queensland Airports Limited (QAL), which was intended to be paid to the Australian Maritime Safety Authority, under subsection 48(1) of the *Australian Maritime Safety Authority Act 1990*. The breach occurred as a result of the incorrect recipient bank account details used in the Electronic Funds Transfer (EFT) form. The payment was subsequently recovered from QAL.

The department assessed the breach as an administrative error and has strengthened its controls around the processing of EFTs to mitigate the risk of future breaches.

**Events after the Reporting Period**

Amendments to the Administrative Arrangements Orders (AAOs) transferred responsibility for the copyright policy and the National Water Grid Authority to the Attorney-General's Department and the Department of Climate Change, Energy, the Environment and Water, respectively. The department has also assumed responsibility for the National Archives of Australia including the *Archives Act 1983* and the Museum of Australian Democracy from the Attorney-General's Department and the Department of the Prime Minister and Cabinet, respectively.

The above outlined amendments to AAOs came into effect on 1 July 2022 and have no impact on the transactions and balances reported at 30 June 2022. As a result of this change, the department has been renamed the Department of Infrastructure, Transport, Regional Development, Communications and the Arts and will report as such in future financial statements.

DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

## 1. Departmental Financial Performance

This section analyses the financial performance of the department for the year ended 30 June 2022.

### 1.1 Expenses

	2022 \$'000	2021 \$'000
<b>1.1A: Employee benefits</b>		
Wages and salaries	184,775	158,852
Superannuation		
Defined contribution plans	19,030	15,280
Defined benefit plans	16,900	14,892
Leave and other entitlements	18,511	14,558
Separation and redundancies	2,224	2,796
Other employee expenses	222	409
<b>Total employee benefits</b>	<b>241,662</b>	<b>206,787</b>
<b>1.1B: Suppliers</b>		
<b>Goods and services supplied or rendered</b>		
Legal	4,314	4,946
Contracted services	49,550	41,181
Consultants	13,056	17,554
Contractors	24,911	22,647
Travel and accommodation	2,230	1,546
Communications	4,100	4,742
Property operating costs	9,389	8,594
Information technology services	12,111	9,449
Training and conferences	3,576	2,739
Other goods and services	9,470	8,087
<b>Total goods and services supplied or rendered</b>	<b>132,707</b>	<b>121,485</b>
Goods supplied	11,243	8,121
Services rendered	121,464	113,364
<b>Total goods and services supplied or rendered</b>	<b>132,707</b>	<b>121,485</b>
<b>Other suppliers</b>		
Operating lease rentals	819	616
Workers compensation expenses	767	632
<b>Total other suppliers</b>	<b>1,586</b>	<b>1,248</b>
<b>Total suppliers</b>	<b>134,293</b>	<b>122,733</b>
The department has short-term lease commitments of \$0.6 million as at 30 June 2022 (2021: \$0.019 million).		
Lease disclosures should be read in conjunction with the accompanying Notes 1.1D, 1.2B, 1.2D, 3.2A and 3.4A.		
<b>1.1C: Grants and Contributions</b>		
Australian Government entities (related parties)	6,750	7,444
State and Territory Governments	325	403
Not-for-profit organisations	150	159
Contributions to special accounts	648	1,072
<b>Total grants and contributions</b>	<b>7,873</b>	<b>9,078</b>
<b>1.1D: Finance costs</b>		
Interest on lease liabilities	1,140	1,336
Unwinding of provision for restoration	-	3
<b>Total finance costs</b>	<b>1,140</b>	<b>1,339</b>

DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS  
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	2022	2021
	\$'000	\$'000
<b><u>1.1E: Write-down and impairment of assets</u></b>		
Write-down of heritage and cultural assets	52	41
Write-down of property, plant and equipment	1,162	57
Impairment of intangible assets	161	515
<b>Total write-down and impairment of assets</b>	<b>1,375</b>	<b>613</b>
<b><u>1.1F: Other Expenses</u></b>		
Reversal of sublease straight-lining assets	-	386
Reversal of prior year receivables	-	7
<b>Total other expenses</b>	<b>-</b>	<b>393</b>

**Accounting Policy**

Employee Benefits

Accounting policies for employee related expenses are contained in the People and Relationships section (Note 6.1).

Short-term leases and leases of low-value assets

The department has elected not to recognise right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of twelve months or less and leases of low-value assets (less than \$10,000). The department recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The department does not recognise right-of-use assets for shared accommodation arrangements for less than ten workpoints where a specific underlying asset cannot be identified.

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**1.2 Own-Source Revenue and Gains**

	2022	2021
	\$'000	\$'000
<b>Own-Source Revenue</b>		
<b>1.2A: Revenue from contracts with customers</b>		
Rendering of services	7,205	6,588
<b>Total revenue from contracts with customers</b>	<b>7,205</b>	<b>6,588</b>
<b>Disaggregation of revenue from contracts with customers</b>		
Corporate services	254	471
Cost recovery	6,104	4,782
Overseas projects	847	1,335
<b>Total revenue from contracts with customers</b>	<b>7,205</b>	<b>6,588</b>
<b>1.2B: Rental Income</b>		
Operating lease		
Operating lease rental	2,082	3,263
Artbank	2,787	3,103
<b>Total rental income</b>	<b>4,869</b>	<b>6,366</b>
<b>Operating Leases</b>		
<b>Maturity analysis of operating lease receivables</b>		
Within 1 year	2,067	2,144
One to two years	2,132	2,060
Two to three years	2,205	2,125
Three to four years	2,277	2,198
Four to five years	2,303	2,271
More than 5 years	1,083	3,386
<b>Total undiscounted lease payments receivable</b>	<b>12,067</b>	<b>14,184</b>
<b>1.2C: Other revenue</b>		
Resources received free of charge		
Remuneration of auditors	900	780
Seconded employees	215	87
Assets received free of charge	-	147
Special account contributions	1,626	1,618
Other	388	685
<b>Total other revenue</b>	<b>3,129</b>	<b>3,317</b>

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	2022	2021
	\$'000	\$'000
<b>1.2D: Other gains</b>		
Reversal of provision for restoration	118	-
Reversal of lease liabilities	-	22
Reversal of impairment on financial assets	142	154
Change in discount rate - provision for restoration	37	-
Foreign exchange gains - non-speculative	1	6
<b>Total other gains</b>	<b>298</b>	<b>182</b>
<b>1.2E: Revenue from Government</b>		
Appropriations		
Departmental appropriations	414,308	366,843
<b>Total revenue from Government</b>	<b>414,308</b>	<b>366,843</b>

**Accounting Policy**

Revenue from contracts with customers

The majority of departmental revenue sources have specific performance obligations and the contract is enforceable through legal or equivalent means. Contracts are considered to be enforceable through equivalent means where there are specific rights documented in the agreement, the parties can reasonably be expected to act on their obligations, there are consequences for non-performance and/or unspent funds must be refunded.

Revenue from contracts with customers is recognised when the performance obligation has been met, either:

1. at a point in time where the ownership or control of the goods or services is passed to the customer at a specific time, or
2. over time where the services are provided and consumed simultaneously.

The department requires customers to pay in accordance with its payment terms. Trade receivables are due for settlement within 30 days.

Corporate Services

The department's performance obligation is the provision of information technology and corporate services to other Australian Government entities in accordance with a Memorandum of Understanding. Revenue is recognised over time where the services are provided and consumed simultaneously.

Cost recovery

The department's performance obligation is the undertaking of functions or incurring of costs on behalf of other Australian Government entities in accordance with a Memorandum of Understanding. Revenue is recognised over time as costs are incurred where there is an expectation they will be recovered.

Delivery of overseas transport projects

The department's performance obligation is the delivery of overseas transport projects in Papua New Guinea and Indonesia. The projects are undertaken under a Record of Understanding that outlines specific activities and the budgeted amount of each activity. Revenue is recognised as activities are completed or over time.

Foreign exchange gains

The department recognises a gain or loss on foreign exchange at the date of the transaction. Exchange gains and losses are reported in the Statement of Comprehensive Income. The department does not enter into hedging arrangements for its foreign currency transactions and all foreign exchange gains and losses are considered non-speculative in nature. Foreign exchange gains relate to the cash balance held in a bank account at Montreal, Canada.

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 entity gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

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**2. Income and Expenses Administered on Behalf of Government**

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

**2.1 Administered – Expenses**

	2022	2021
	\$'000	\$'000
<b>2.1A: Employee benefits</b>		
Wages and salaries	11,962	12,086
Superannuation		
Defined contribution plans	1,646	1,565
Defined benefit plans	47	46
Leave and other entitlements	1,713	1,788
Other employee expenses	503	485
<b>Total employee benefits</b>	<b>15,871</b>	<b>15,970</b>
<b>2.1B: Suppliers</b>		
<b>Goods and services supplied or rendered</b>		
Royalty payments	22,750	22,521
Service fees	367,546	366,676
Service delivery arrangements	109,827	97,356
Fuel and oil	15,595	11,165
Rail and road research	12,768	10,562
Medical supplies	4,602	4,226
Property and operating costs	5,227	4,252
Repairs and maintenance	9,977	8,168
Travel and accommodation	291	412
Advertising campaigns	3,748	8,499
Information, communication and technology	2,423	2,950
Contracted services	11,662	11,900
Other goods and services	19,511	11,128
<b>Total goods and services supplied or rendered</b>	<b>585,927</b>	<b>559,815</b>
Goods supplied	20,197	15,391
Services rendered	565,730	544,424
<b>Total goods and services supplied or rendered</b>	<b>585,927</b>	<b>559,815</b>
<b>Other suppliers</b>		
Operating lease rentals	111	128
Workers compensation expenses	390	132
<b>Total other suppliers</b>	<b>501</b>	<b>260</b>
<b>Total suppliers</b>	<b>586,428</b>	<b>560,075</b>

The department has short-term lease commitments for residential and storage leases. There were no material commitments for these leases at 30 June 2022 (2021: Nil).

Lease disclosures should be read in conjunction with the accompanying notes 2.2F, 4.2 and 4.3D.

**Accounting Policy**

*Employee Benefits* - Accounting policies for employee related expenses are contained in the People and Relationships section (Note 6.1).

*Short-term leases and leases of low-value assets* - Operating lease rentals represent short term residential and storage leases that are cancellable by the department with less than twelve months' notice. The department has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets (less than \$10,000). The department recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.



DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS  
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	2022 \$'000	2021 \$'000
<b>2.1C: Subsidies</b>		
<b>Subsidies in connection with</b>		
Tasmanian Freight Equalisation Scheme	170,671	165,367
Bass Strait Passenger Vehicle Equalisation Scheme	41,850	36,918
Regional Broadband Scheme	731,869	334,506
Airservices Australia		
Waiver of charges	45,667	653,226
Support for essential aviation services	-	550,000
Other aviation subsidies	820,179	697,496
Other subsidies	22,488	21,790
<b>Total subsidies</b>	<b>1,832,724</b>	<b>2,459,303</b>
<b>2.1D: Grants</b>		
<b>Public sector</b>		
Australian Government entities (related parties)	1,063,572	526,943
State and Territory Governments	3,587,242	2,644,160
Local Governments	1,081,326	1,508,288
<b>Private sector</b>		
Not-for-profit organisations	745,207	687,281
Commercial entities	320,145	290,711
Overseas	2,703	2,468
<b>Total grants</b>	<b>6,800,195</b>	<b>5,659,851</b>
Grants to State and Territory Governments include \$3.5 billion (2021: \$2.6 billion) paid to local government bodies through State and Territory Governments, mainly for Financial Assistance Grant program payments.		
<b>2.1E: Write-down and impairment of assets</b>		
Write-down of heritage and cultural assets	795	-
Write-down of property, plant and equipment	125	308
<b>Total write-down and impairment of other assets</b>	<b>920</b>	<b>308</b>

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	2022	2021
	\$'000	\$'000
<b><u>2.1F: Payments to corporate Commonwealth entities</u></b>		
Australian Maritime Safety Authority	87,804	84,572
Civil Aviation Safety Authority	122,082	128,424
Infrastructure Australia	12,853	15,419
National Transport Commission	4,464	3,629
Australian Broadcasting Corporation	1,070,097	1,065,354
Special Broadcasting Service Corporation	310,021	296,933
Australia Council	219,794	214,883
Australian Film, Television and Radio School	22,738	25,059
Australian National Maritime Museum	24,125	22,548
National Film and Sound Archive of Australia	28,026	26,535
National Museum of Australia	41,383	42,353
National Library of Australia	57,493	58,786
National Portrait Gallery of Australia	12,475	12,845
Screen Australia	39,466	13,531
National Gallery of Australia	49,592	49,569
Northern Australia Infrastructure Facility <sup>1</sup>	14,227	-
<b>Total payments to corporate Commonwealth entities</b>	<b>2,116,640</b>	<b>2,060,440</b>

<sup>1</sup> Amendments to the Administrative Arrangements Order on 2 July 2021 transferred responsibility for reporting of the Northern Australia Infrastructure Facility from the Department of Industry, Science, Energy and Resources. The effective date for the transfer was 1 September 2021.

**Accounting Policy**

**Grants and Subsidies**

The department administers a number of grant and subsidy schemes on behalf of the Government. Grant and subsidy liabilities are recognised to the extent that (i) the services required to be performed by the applicant have been performed or (ii) the eligibility criteria have been satisfied, but payments due have not been made.

**Payments to corporate Commonwealth entities**

Payments to corporate Commonwealth entities from amounts appropriated for that purpose are classified as administered expenses, equity injections or loans of the relevant portfolio department. The appropriation to the department is disclosed under the Funding section – Appropriations (Note 5.1A).

**2.1G: Other expenses**

International membership fees	7,537	7,610
Prizes and awards	595	595
Spectrum pricing transitional support	4,772	4,756
Contributions	1,357	949
Protection of the sea levy payment	358	-
Biodiversity offset credits	1,938	3,931
<b>Total other expenses</b>	<b>16,557</b>	<b>17,841</b>

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<b>2.2 Administered – Income</b>		
	2022	2021
	\$'000	\$'000
<b>2.2A: Taxes</b>		
Levies	1,630	1,125
Land tax equivalents	28,153	10,752
Other tax equivalents	4,377	2,876
<b>Total taxes</b>	<b>34,160</b>	<b>14,753</b>
<b>2.2B: Revenue from contracts with customers</b>		
Sale of goods	-	756
Rendering of services	20,481	18,127
Regulatory and other fees	23,326	20,739
<b>Total revenue from contracts with customers</b>	<b>43,807</b>	<b>39,622</b>
<b>Disaggregation of revenue from contracts with customers</b>		
<b>Major product / service line:</b>		
Sale of sand	-	756
<b>Sale of goods</b>	<b>-</b>	<b>756</b>
Classification fees	3,040	2,708
Electricity services	10,539	9,698
Health services	494	241
Marine shipping and wharfage services	542	625
Plant and equipment hire	511	575
Water and sewerage services	5,355	4,280
<b>Rendering of services</b>	<b>20,481</b>	<b>18,127</b>
Airport Building Controllers	7,539	3,788
Airport Environment Officers	1,914	1,665
Motor Vehicle Standards	5,255	12,529
Road Vehicle Standards	5,828	79
Other fees	2,790	2,678
<b>Regulatory and other fees</b>	<b>23,326</b>	<b>20,739</b>
<b>Total revenue from contracts with customers</b>	<b>43,807</b>	<b>39,622</b>
<b>2.2C: Levies, fees and fines</b>		
Drone levies	916	-
Marine Navigation levies	95,876	94,622
Protection of the Sea levies	38,813	38,045
<b>Levies from regulatory services</b>	<b>135,605</b>	<b>132,667</b>
Loan fees	13,786	-
Fines	249	141
<b>Total levies, fees and fines</b>	<b>149,640</b>	<b>132,808</b>
<b>2.2D: Interest</b>		
Loan to NBN Co Limited	336,032	690,633
Other loans	95,589	78,163
Unwinding of discount - concessional loans	32,810	22,000
Other interest	-	1
<b>Total interest</b>	<b>464,431</b>	<b>790,797</b>

**Accounting Policy**

Interest revenue is recognised using the effective interest method.

## DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS

	2022 \$'000	2021 \$'000
<b><u>2.2E: Dividends</u></b>		
Australian Postal Corporation	36,329	46,160
Australian Rail Track Corporation Limited	87,757	80,281
<b>Total dividends</b>	<b>124,086</b>	<b>126,441</b>
<b><u>2.2F: Rental income</u></b>		
Indefeasible Rights of Use	1,529	1,529
Other rental income	2,956	2,821
<b>Total rental income</b>	<b>4,485</b>	<b>4,350</b>

Lease disclosures should be read in conjunction with the accompanying Notes 2.1B, 4.2 and 4.3D.

### Accounting Policy

Rental Income is recognised over the term of the Indefeasible Rights of Use granted by the Commonwealth to external parties for use of Regional Blackspot telecommunications infrastructure (refer Note 4.2A).

Other rental income is mainly associated with residential and commercial properties in the Indian Ocean Territories and Jervis Bay Territory. Residential lease agreements are cancellable by either the lessor or the lessee by giving the required notice.

### 2.2G: Other revenue

Refund of previous years payments	2,015	1,866
Phosphate mine royalties	1,213	1,068
Contributions	1,653	672
Other revenue	463	502
<b>Total other revenue</b>	<b>5,344</b>	<b>4,108</b>

### 2.2H: Other gains

Resources received free of charge	50	-
Reversal of impairment for financial assets	-	2,078
Biodiversity offset credits	1,203	3,920
<b>Total other gains</b>	<b>1,253</b>	<b>5,998</b>

### Accounting Policy

#### Revenue

The majority of administered revenue sources have specific performance obligations and the contract is enforceable through legal or equivalent means. Contracts are considered to be enforceable through equivalent means where there are specific rights documented in the agreement, the parties can reasonably be expected to act on their obligations, there are consequences for non-performance and/or unspent funds must be refunded.

Revenue from contracts with customers is recognised when the performance obligation has been met, either:

1. at a point in time where the ownership or control of the goods or services is passed to the customer at a specific time, or
2. over time where the services are provided and consumed simultaneously.

The department requires customers to pay in accordance with its payment terms. Trade receivables are due for settlement within 30 days.

The main sources of administered revenue are:

#### Taxes

- a) land tax and similar equivalency payments for commercial use of Commonwealth owned land (mainly at regulated airports)
- b) other tax equivalency payments applied in the Indian Ocean Territories and Jervis Bay Territory, and

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c) royalties associated with phosphate mining activities on Christmas Island.

*Revenue from contracts with customers*

Provision of goods and services in the Indian Ocean Territories and Jervis Bay Territory including electricity supply, water and sewerage and medical fees. Revenue from the sale of goods also includes proceeds from the extraction of surplus sand at regulated airports.

Supply of electricity and water in the Indian Ocean Territories and Jervis Bay Territory have agreements in place with consumers. Revenue is recognised over time based on a fixed fee for network connection and a variable fee for actual use.

Other services provided in the territories include marine wharfage, medical and dental services and short-term hire of equipment.

The department charges application and licence fees under the *Road Vehicle Standards Act 2018*, *Airports Act 1996*, *Coastal Trading (Revitalising Australian Shipping) Act 2012* and the *Classification (Public, Films and Computer Games) Act 1995*. These charges are recognised under AASB 15 irrespective of whether there is a written contract with a customer.

The costs of monitoring environmental conditions at regulated airports is recovered from airport lessees in accordance with the lease agreements.

*Levies, fees and fines*

Levies are collected for regulatory functions including Marine Navigation and Protection of the Seas levies which are remitted to the Commonwealth by the Australian Maritime Safety Authority (AMSA) who collect the levies from commercial shipping operators. An equivalent amount is paid to AMSA from a special appropriation administered by the department (refer Note 5.1B).

Loans fee revenue relates to the Northern Australia Infrastructure Facility loans.

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**3. Departmental Financial Position**

This section analyses the department's assets used to conduct its operations and the operating liabilities incurred as a result. Employee related information is disclosed in the People and Relationships section.

**3.1 Financial Assets**

	2022	2021
	\$'000	\$'000
<b>3.1A: Cash and cash equivalents</b>		
Cash on hand or on deposit	9,961	5,170
Cash in special accounts	168	34
Cash held in the OPA (special accounts)	6,872	6,557
Other	338	339
<b>Total cash and cash equivalents</b>	<b>17,339</b>	<b>12,100</b>
<b>3.1B: Trade and other receivables</b>		
<b>Goods and services receivables</b>		
Contract assets	3,936	2,899
<b>Total goods and services receivables</b>	<b>3,936</b>	<b>2,899</b>
Contract assets are associated with the provision of information technology and corporate services to other Australian Government entities, recovery of costs from other entities, transfer of leave entitlements and artbank rental agreements.		
<b>Appropriations receivable</b>		
Existing programs	153,582	148,866
<b>Total appropriations receivable</b>	<b>153,582</b>	<b>148,866</b>
<b>Other receivables</b>		
GST receivable from the Australian Taxation Office	3,902	4,155
Other	55	14
<b>Total other receivables</b>	<b>3,957</b>	<b>4,169</b>
<b>Total trade and other receivables (gross)</b>	<b>161,475</b>	<b>155,934</b>
<b>Less impairment loss allowance</b>		
Contract assets	(139)	(284)
<b>Total impairment loss allowance</b>	<b>(139)</b>	<b>(284)</b>
<b>Total trade and other receivables (net)</b>	<b>161,336</b>	<b>155,650</b>

Credit terms for goods and services were within 30 days (2021: 30 days).

**Accounting Policy**

***Financial assets***

Trade receivables and other receivables are held for the purpose of collecting contractual cash flows, where the cash flows are solely payments of 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.

***Impairment***

All financial assets are assessed for impairment at the end of each reporting period based on expected credit losses. Impairment of trade receivables is assessed on lifetime credit losses. The loss is recognised in the Statement of Comprehensive Income.

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3.2 Non-Financial Assets

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

Reconciliation of the opening and closing balances of property, plant and equipment and intangibles for 2022

	Buildings \$'000	Heritage and cultural \$'000	Property, Plant and Equipment \$'000	Computer Software Internally Developed \$'000	Computer Software Purchased \$'000	Total \$'000
<b>As at 1 July 2021</b>						
Gross book value	188,788	36,701	28,367	75,849	6,566	336,271
Accumulated depreciation, amortisation and impairment	(53,224)	(594)	(9,563)	(36,564)	(5,510)	(105,455)
<b>Total as at 1 July 2021</b>	<b>135,564</b>	<b>36,107</b>	<b>18,804</b>	<b>39,285</b>	<b>1,056</b>	<b>230,816</b>
<b>Additions</b>						
Purchase	1,155	566	10,133	-	-	11,854
Internally developed	-	-	-	20,594	-	20,594
Right-of-use assets	3,629	-	13	-	-	3,642
Revaluations and impairments recognised in other comprehensive income	-	5,981	(1,375)	-	-	4,606
Revaluations and impairments recognised in net cost of services	-	-	-	(161)	-	(161)
Depreciation and amortisation	(5,531)	(86)	(4,926)	(5,647)	(476)	(16,666)
Depreciation on right-of-use assets	(21,556)	-	(44)	-	-	(21,600)
Reclassifications	-	-	(1,125)	1,082	43	-
Other	-	-	-	(2,213)	-	(2,213)
Disposals	-	-	-	-	-	-
Write-downs	-	(52)	(1,162)	-	-	(1,214)
<b>Total as at 30 June 2022</b>	<b>113,261</b>	<b>42,516</b>	<b>20,318</b>	<b>52,940</b>	<b>623</b>	<b>229,658</b>
<b>Total as at 30 June 2022 represented by</b>						
Gross book value	193,362	43,038	34,383	94,990	6,610	372,383
Accumulated depreciation, amortisation and impairment	(80,101)	(522)	(14,065)	(42,050)	(5,987)	(142,725)
<b>Total as at 30 June 2022</b>	<b>113,261</b>	<b>42,516</b>	<b>20,318</b>	<b>52,940</b>	<b>623</b>	<b>229,658</b>
Carrying amounts of right-of-use assets	93,269	-	50	-	-	93,319

The above table discloses property, plant and equipment not subject to operating leases.

The buildings, artwork and other property, plant and equipment asset classes are measured at fair value in accordance with AASB 13 Fair Value Measurement.

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### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

#### Revaluations of non-financial assets

All revaluations were conducted in accordance with the revaluation policy stated below. An independent valuer conducted a revaluation of the artwork asset class as at 30 June 2022.

A revaluation increment of \$6.0 million (2021: nil) related to artwork was made to the asset revaluation reserve.

#### Impairment of non-financial assets

Impairment losses of \$0.2 million were recognised for internally developed software assets as at 30 June 2022 (2021: \$0.52 million). An impairment loss of \$1.4 million was recognised for other property, plant and equipment assets at 30 June 2022 (2021: Nil). No impairment losses were recognised for other asset classes at 30 June 2022 (2021: Nil). The recognition of impairment adjustments is in accordance with the impairment policy stated below.

#### **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.

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 entity's accounts immediately prior to the restructuring.

#### Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the Statement of Financial Position, except for purchases costing less than \$5,000, which are expensed in the year of acquisition (other than laptops, which are capitalised regardless of their acquisition costs).

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 'makegood' provisions in property leases taken up by the department where there exists an obligation to restore the property to its original condition. These costs are included in the value of the department's leasehold improvements with a corresponding provision for the 'makegood' recognised.

#### Leased Right of Use (ROU) Assets

Leased ROU assets are capitalised at the commencement date of the lease and comprise the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are recognised as separate asset classes but disclosed in the same column as similar assets owned by the department.

An impairment review is undertaken for any ROU asset that shows indicators of impairment and an impairment loss is recognised. The impairment of ROU assets includes instances where the department has entered into leases for office accommodation that are surplus to requirements at the reporting date. ROU assets continue to be measured at cost after initial recognition by the department.

#### Revaluations

Following initial recognition at cost, property, plant and equipment assets (excluding ROU assets) are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure the carrying amount does not differ materially from the asset's fair value as at the reporting date. The regularity of valuations depends on the volatility of movements in market values for the relevant assets. Revaluations are conducted at least once every three years.

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

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

#### Heritage and Cultural

Artworks managed by Artbank are considered heritage and cultural items of national, historical or cultural significance. Artbank maintains separate curatorial and preservation policies for heritage and cultural assets: (<http://artbank.gov.au/legal/#preservation-policy>). The department holds other artwork that is not material to the asset class.

#### Depreciation and amortisation

Depreciable property, plant and equipment assets are written-off to their estimated residual value over their estimated useful life to the department using, in all cases, the straight-line method.



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Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

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

	2022	2021
Buildings - Leasehold improvements	Shorter of lease term or expected useful economic life	Shorter of lease term or expected useful economic life
Plant and equipment	1 to 100 years	1 to 100 years
Computer software	1 to 9 years	1 to 9 years
Heritage and cultural	1 to 480 years	1 to 480 years
Heritage and cultural	1 to 50 years or indefinite	1 to 50 years or indefinite
Phosphate mining lease	Lease term	Lease term

**Impairment**

All assets were assessed for impairment at 30 June 2022, except for assets reported at fair value where the assets were assessed for impairment since the last valuation. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

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

Impairments are recorded as an expense unless assets are carried at a revalued amount. The impairment loss on a revalued asset is recorded as a revaluation decrement and recorded against the asset revaluation surplus up to the value of the reserve with any excess impairment loss recorded in the net cost of services as a loss.

The department considered potential implications of COVID-19 to assess the impairment of non-financial assets as at 30 June 2022 in accordance with AASB 136. No significant policy changes have been made affecting the value of departmental assets due to COVID-19. No impairment adjustments of non-financial assets occurred due to COVID-19 where assets had not been revalued.

**Derecognition**

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

**Intangibles**

The department's intangibles comprise internally developed software over \$50,000 and purchased software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of the department's software vary from 1 to 9 years (2021: 1 to 9 years).

All software assets were assessed for indications of impairment as at 30 June 2022.

**Accounting Judgements and Estimates**

**Buildings**

The fair value of buildings has been taken to be the current replacement cost of leasehold improvements in office leases and the related makegood requirements as determined by an independent qualified valuer as at 30 June 2020 using a desktop valuation, adjusted for subsequent depreciation, acquisitions and disposals. The valuer subsequently confirmed there were no material differences between the carrying value and fair value at 30 June 2022.

**Property, plant and equipment**

The fair value of property, plant and equipment has been taken to be the market value or current replacement cost as determined by an independent qualified valuer as at 30 June 2020 using a desktop valuation, adjusted for subsequent depreciation, acquisitions and disposals. The valuer subsequently confirmed there were no material differences between the carrying value and fair value at 30 June 2022.

**Heritage and cultural assets**

The fair value of artworks has been taken to be the market value or current replacement cost as determined by an independent qualified valuer as at 30 June 2022.

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**3.2B: Capital Commitments Acquisition**

Contractual commitments for the acquisition of property, plant, equipment and intangible assets for 2022

	Within 1 year	Between 1 to 5 years
	\$'000	\$'000
Buildings	792	-
Property, plant and equipment	3,532	555
Computer software internally developed	15,204	-
<b>Total capital commitments</b>	<b>19,528</b>	<b>555</b>

The above commitment amounts are GST exclusive.

	2022	2021
	\$'000	\$'000

**3.2C: Other non-financial assets**

Prepayments	6,459	3,714
Operating lease rentals - sublease	876	799
Lease incentive - sublease	383	453
<b>Total other non-financial assets</b>	<b>7,718</b>	<b>4,966</b>

No indicators of impairment were found for other non-financial assets.

**3.3 Payables**

	2022	2021
	\$'000	\$'000

**3.3A: Suppliers**

Trade creditors	1,956	2,534
Accrued expenses	26,210	28,569
<b>Total suppliers</b>	<b>28,166</b>	<b>31,103</b>

Settlement is usually made within 20 days (2021: 20 days).

**3.3B: Other payables**

Unearned revenue	4,911	3,137
Wages and salaries	5,110	3,831
Superannuation	791	577
Separations and redundancies	2,059	1,993
Other	335	336
<b>Total other payables</b>	<b>13,206</b>	<b>9,874</b>

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### 3.4 Interest Bearing Liabilities

	2022	2021
	\$'000	\$'000
<b>3.4A: Leases</b>		
Lease liabilities <sup>1</sup>	98,148	115,114
<b>Total finance leases</b>	<b>98,148</b>	<b>115,114</b>

Total cash outflow for leases for the year ended 30 June 2022 was \$22.8 million (2021: \$22.4 million).

#### Maturity analysis - contractual undiscounted cash flows

Within 1 year	21,880	20,956
Between 1 to 5 years	75,112	84,282
More than 5 years	3,699	13,440
<b>Total leases</b>	<b>100,691</b>	<b>118,678</b>

<sup>1</sup> The department, in its capacity as lessee, has leasing arrangements for the office accommodation in Canberra, States and Territories, internationally and motor vehicles.

The above lease disclosures should be read in conjunction with the accompanying Notes 1.1B, 1.1D, 1.1F, 1.2B, 1.2D and 3.2A.

#### Accounting Policy

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

Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if the 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 ROU asset or profit and loss depending on the nature of the reassessment or modification.

### 3.5 Other Provisions

	Provision for restoration	Total
	\$'000	\$'000
<b>Opening balance as at 1 July 2021</b>	713	713
Additional provisions made	84	84
Amounts used	(11)	(11)
Reversal and other movements	(118)	(118)
Unwinding of discount or change in discount rate	(37)	(37)
<b>Total as at 30 June 2022</b>	<b>631</b>	<b>631</b>

The department has five agreements at 30 June 2022 (2021: four) for the lease of office premises which have provisions requiring the department to restore the premises to their original condition at the conclusion of the lease. The department has made a provision to reflect the present value of these obligations.

Makegood provisions were revalued in conjunction with the valuation of the associated leasehold improvement asset and adjusted to the asset revaluation surplus in accordance with *AASB Interpretation 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities*.

DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS

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**4. Assets and Liabilities Administered on Behalf of Government**

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

**4.1 Administered – Financial Assets**

	2022	2021
	\$'000	\$'000
<b>4.1A: Cash and cash equivalents</b>		
Cash on hand or on deposit	773	4
Cash in special accounts	49,066	41,785
Other	200	200
<b>Total cash and cash equivalents</b>	<b>50,039</b>	<b>41,989</b>

The closing balance of Cash in special accounts does not include amounts held in trust \$0.5 million (2021: \$0.5 million). See Notes 5.2 Special Accounts and 8.2 Assets Held in Trust for more information.

**4.1B: Trade and other receivables**

**Advances and loans**

NBN Co Limited	6,375,000	13,200,000
NAIF loans	665,064	-
Commercial entities	2,074,758	1,975,101
State and Territory Governments	39,065	165,634
<b>Total advances and loans</b>	<b>9,153,887</b>	<b>15,340,735</b>

**Other receivables**

Contract assets	7,368	4,131
GST receivable from Australian Taxation Office	104,997	68,018
Other revenue	27	9
<b>Total other receivables</b>	<b>112,392</b>	<b>72,158</b>
<b>Total trade and other receivables (gross)</b>	<b>9,266,279</b>	<b>15,412,893</b>

**Less impairment allowance**

Loan to NBN Co Limited	(388)	(1,001)
NAIF loans	(60,684)	-
Commercial entities	(482)	(225)
Other receivables	(590)	(1,261)
<b>Total impairment allowance</b>	<b>(62,144)</b>	<b>(2,487)</b>
<b>Total trade and other receivables (net)</b>	<b>9,204,135</b>	<b>15,410,406</b>

Credit terms for goods and services were within 30 days (2021: 30 days). Refer Note 4.3A for information relating to contract liabilities.

**4.1C: Reconciliation of the impairment allowance**

**Movements in relation to 2022**

	Loan to NBN Co Limited	NAIF loans	Loans to Commercial entities	Other receivables	Total
	2022	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2021</b>	<b>1,001</b>	<b>-</b>	<b>225</b>	<b>1,261</b>	<b>2,487</b>
Restructuring	-	28,392	-	-	28,392
Amounts written off	-	-	-	(107)	(107)
Increase/(Decrease) recognised in net cost of services	(613)	32,292	257	(564)	31,372
<b>Total as at 30 June 2022</b>	<b>388</b>	<b>60,684</b>	<b>482</b>	<b>590</b>	<b>62,144</b>

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	2022	2021
	\$'000	\$'000
<b>4.1D: Investments</b>		
<b>Investments accounted for using the net assets method</b>		
<b>Australian Government authorities</b>		
Australia Council	17,008	16,630
Australian Broadcasting Corporation	1,110,961	1,055,626
Australian Film, Television and Radio School	10,704	12,148
Australian Maritime Safety Authority	224,178	203,699
Australian National Maritime Museum	293,226	268,801
Civil Aviation Safety Authority	88,082	70,973
Infrastructure Australia	3,038	2,978
National Film and Sound Archive of Australia	413,585	372,751
National Gallery of Australia	7,468,579	6,652,818
National Library of Australia	1,536,181	1,512,496
National Museum of Australia	467,315	466,471
National Portrait Gallery of Australia	155,435	144,492
National Transport Commission	1,074	938
Northern Australia Infrastructure Facility <sup>1</sup>	6,776	-
Screen Australia	14,460	14,250
Special Broadcasting Service Corporation	253,777	235,029
<b>Total Australian Government authorities</b>	<b>12,064,379</b>	<b>11,030,100</b>
<b>Australian Government companies</b>		
Bundanon Trust	99,488	89,678
Creative Partnerships Australia	8,122	4,523
National Intermodal Corporation Limited	382,391	321,406
WSA Co Limited	1,478,954	999,248
<b>Total Australian Government companies</b>	<b>1,968,955</b>	<b>1,414,855</b>
<b>Australian Government controlled entities</b>		
Norfolk Island Health and Residential Aged Care Service	4,728	4,588
<b>Total Investments accounted for using the net assets method</b>	<b>14,038,062</b>	<b>12,449,543</b>
<b>Investments accounted for using the discounted cash flow method</b>		
<b>Australia Government authorities</b>		
Airservices Australia	343,700	246,700
<b>Australian Government companies</b>		
Australian Postal Corporation	1,872,000	2,300,000
Australian Rail Track Corporation Limited	2,648,100	2,728,400
NBN Co Limited	19,700,000	18,000,000
<b>Total Investments accounted for using the discounted cashflow method</b>	<b>24,563,800</b>	<b>23,275,100</b>
<b>Total Investments</b>	<b>38,601,862</b>	<b>35,724,643</b>

<sup>1</sup> Amendments to the Administrative Arrangements Order on 2 July 2021 transferred responsibility for reporting of the Northern Australia Infrastructure Facility from the Department of Industry, Science, Energy and Resources. The effective date for the transfer was 1 September 2021.

## DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS

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	2022	2021
	\$'000	\$'000
<b>4.1E: Other financial assets</b>		
Biodiversity offset credits	77,577	75,641
Contract assets	-	3,575
<b>Total other financial assets</b>	<b>77,577</b>	<b>79,216</b>

#### Accounting Policy

##### Loans and Receivables

Credit terms for goods and services were within 30 days (2021: 30 days).

Loans have been provided to States, Territories, Commercial Entities and Government Business Enterprises. The loans are made for a period ranging from 9 to 118 years. No security is generally required. Interest rates are fixed on most loans. Interest payment arrangements vary in each loan agreement, with some agreements allowing for capitalisation of interest for specified periods.

Where loans and receivables are not subject to concessional treatment, they are carried at amortised cost using the effective interest method. Gains and losses due to impairment, derecognition and amortisation are recognised in the Administered Schedule of Comprehensive Income.

##### Administered Investments

Administered investments in subsidiaries, joint ventures and associates are not consolidated because their consolidation is relevant only at the Whole of Australian Government level.

Administered investments, other than those held for sale, are classified as fair value through other comprehensive income (FVOCI) and are measured at their fair value as at 30 June 2022. Fair value has been determined using the Australian Government's proportional interest in the net assets of the entities at the end of the reporting period or a discounted cash flow valuation.

The Australian Government has a 100 per cent interest in the following entities, except the National Transport Commission (35 percent). The principal activities of entities are:

1. **Airservices Australia:** Provides safe, secure, efficient and environmentally responsible air navigation and aviation rescue and firefighting services to the aviation industry.
2. **Australia Council:** The Australian Government's arts funding and advisory body. The Council is the national advocate for the arts and its purpose is to champion and invest in the Australian arts.
3. **Australian Broadcasting Corporation (ABC):** National broadcaster contributing to and reflecting Australia's national identity, fostering creativity and the arts and encouraging cultural diversity.
4. **Australian Film, Television and Radio School (AFTRS):** The national institution for education, training and research for the screen and broadcast industries. AFTRS helps to build a strong local industry, empowering storytelling talent to create great Australian content and engage local and international audiences.
5. **Australian Maritime Safety Authority:** Provides maritime safety and other services to the Australian maritime industry, aviation and maritime search and rescue and marine environment protection services.
6. **Australian National Maritime Museum:** Leads the promotion and conservation of Australia's maritime heritage and culture.
7. **Australian Postal Corporation (Australia Post):** Australia's leading logistics, postal and integrated services business that provides accessible and reliable postal services, at a uniform price, for all Australians.
8. **Australian Rail Track Corporation Ltd (ARTC):** Operates and manages standard gauge rail track across Australia and responsible for the construction of the Inland Rail project. The Australian Government has entered into agreements with ARTC to provide equity financing of up to \$14.5 billion to support the delivery of Inland Rail and \$252.0 million for the Adelaide to Tarcoola rail project.
9. **Bundanon Trust:** Owns and manages the properties and art collection donated by Arthur and Yvonne Boyd as a gift to the nation.
10. **Civil Aviation Safety Authority (CASA):** Regulates the safety of civil air operations in Australia and Australian registered aircraft operating outside Australian territory.
11. **Creative Partnerships Australia:** Business name of the Australia Business Arts Foundation which promotes investments in the arts.

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12. Infrastructure Australia: Advises governments, investors and infrastructure owners on a wide range of issues including Australia's current and future infrastructure needs in terms of projects, policy and regulation; and their impact on investment and the efficient delivery, operation and use of national infrastructure.
13. National Intermodal Corporation Ltd (National Intermodal): National Intermodal, previously known as Moorebank Intermodal Company Ltd, facilitates the development of intermodal freight terminals. The Australian Government has entered into an agreement with National Intermodal to provide equity funding for the terminal development.
14. Northern Australia Infrastructure Facility (NAIF): Enables economic growth in northern Australia, by facilitating private sector investment in economic infrastructure through the provision of concessional financing.
15. National Film and Sound Archive: Collects and preserves Australian film, recorded sound, broadcast and new media.
16. National Gallery of Australia: Develops and maintains a national collection of works of art.
17. National Library of Australia: Maintains and develops a national collection of library material, including a comprehensive collection of library material relating to Australia and the Australian people.
18. National Museum of Australia: Develops and maintains a national historical collection for the benefit of the nation.
19. National Portrait Gallery of Australia: Develops and maintains a national collection of portraits.
20. National Transport Commission (NTC): Advises the Infrastructure and Transport Ministers' Meeting on uniform regulatory and operational policies and model legislation for road, rail and intermodal transport. NTC is jointly funded by the Australian and State and Territory Governments.
21. NBN Co Limited: Responsible for the construction and operation of the National Broadband Network. The Australian Government provided \$29.5 billion in equity and a loan facility of up to \$19.5 billion to NBN Co Ltd.
22. Norfolk Island Health and Residential Aged Care Service (NIHRACS): A body corporate established under the *Norfolk Island Health and Residential Aged Care Service Act 1986* that provides health and residential aged care services to the Norfolk Island community. NIHRACS is not subject to the PGPA Act but is considered to be controlled by the Australian Government for financial reporting purposes. NIHRACS receives the majority of its funding through a Service Delivery Agreement with the Australian Government.
23. Screen Australia: Supports bold, enduring and culturally significant Australian storytelling that resonates with local audiences and succeeds in a global marketplace, created by a skilled and entrepreneurial screen industry.
24. Special Broadcasting Service Corporation: Provides multicultural and multilingual television, radio and digital media services that inform, educate and entertain all Australians.
25. WSA Co Limited – responsible for the construction and operation of the Western Sydney Airport at Badgerys Creek NSW.

Other financial assets

The department holds biodiversity offset credits (credits) on behalf of the Australian Government to offset the environmental impact of development at the Western Sydney Airport. Credits are registered with the NSW Office of Environment and Heritage (OEH) under the *Biodiversity Conservation Act 2016* (NSW) for specific ecosystems and species.

Credits are tradeable at market prices until retired by the OEH to offset the environmental impact of development, based on the ecosystems and species affected. The number and type of credits retired to offset the impact of development is determined by an accredited assessor. The department recognises credits as a financial asset at fair value on the basis it holds credits for the purpose of meeting environmental offset obligations with a secondary objective of trading or voluntarily retiring surplus credits. The department also recognises a corresponding provision for the obligation to use credits to offset the impact of development in accordance with the relevant environment management plans (Note 4.4).

## DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS

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#### Accounting Judgements and Estimates

##### Loans and Receivables

Loans are initially recognised at their fair value. If the rate of interest charged is lower than the counterparty's borrowing rate and/or the loan agreement includes terms that are more favourable than those available in the market, the difference between the amount advanced and the fair value of the loan is treated as an expense. The expense is recognised at the inception of the loan agreement and a provision is recognised for the concessional cost of loan advances that have been committed, but not paid, at the reporting date.

##### WestConnex Stage 2 concessional loan

Advances and loans to commercial entities comprise a concessional loan facility provided to a subsidiary of the Sydney Motorway Corporation for construction of Stage 2 of the WestConnex Motorway in Sydney. The loan facility comprised multiple advances totalling \$2.0 billion between 22 July 2016 and 2 January 2020.

As the loan facility is the first to be made by the Australian Government for a major road project, no comparable products were identified in the market and the prevailing market interest rate was determined based on external valuation advice.

The loan facility includes mandatory repayment of principal and/or interest in certain circumstances from the 2020-21 financial year. An impairment allowance of \$0.5 million for these repayments has been made at 30 June 2022.

##### NBN Co Limited loan

The Australian Government provided a loan facility of up \$19.5 billion to NBN Co Limited (NBN Co) in December 2016. The loan was provided on commercial terms with drawings available on a monthly basis. The loan must be repaid in full by 30 June 2024. The loan has a fixed interest rate with interest payable monthly over the life of the facility. Interest on the loan will be capitalised when the limit of the loan facility is reached. The loan facility limit was reached in July 2020. Subsequent repayments of principal and interest were made by NBN Co, reducing the loan to \$6.4 billion at 30 June 2022.

##### NAIF loans

The department records concessional loans issued by the NAIF corporate Commonwealth entity on behalf of the Commonwealth. The concessional element for each loan is tailored to the specific needs of each investment, with varying rates of interest and terms, consistent with the *Northern Australia Infrastructure Facility Investment Mandate Direction 2021*.

##### Other loans

The Australian Government has also provided loans to the Northern Territory Government on concessional terms. The loan provided to the University of the Sunshine Coast was repaid in full during 2021-22.

##### Administered Investments

In the absence of an observable market value for administered investments, the department is required to use an appropriate valuation technique to determine their fair value. The use of discounted cash flows is the preferred valuation method for those entities that generate significant non-government cash inflows if the cash flows can be reliably predicted.

A review of administered investments is performed on an annual basis to ensure the appropriate valuation method is used. Apart from the following entities, fair value has been taken to be the Australian Government's proportional interest in the net assets of the entities as at the end of the reporting period.

##### Airservices Australia (Airservices)

Airservices generates significant non-government cash flows from the aviation industry, and historically its cash flows have demonstrated to be reliably predicted. Given the significant economic impact of COVID-19 on the aviation industry, and particularly traffic volumes, Airservices expects to receive additional equity funding from the Australian Government to ensure critical air navigation, air traffic control, aviation rescue and firefighting services continue to be provided as the industry recovers.

The department engaged an independent valuation expert to provide advice on the valuation of the business as at 30 June 2022. The discounted cash flow valuation incorporates cash flow forecasts underpinning the Airservices 2022-23 Corporate Plan. These cash flows are extrapolated by the independent valuation expert to 30 June 2037 and an estimated terminal value is assumed beyond 30 June 2037. The cash flows are discounted using a Weighted Average Cost of Capital (WACC) of 7.75 percent (2021: 7.5 percent), determined with reference to entities that operate in similar industries. The terminal value is escalated by the terminal growth rate of 2.0 percent (2021: 2.0 percent) based on aggregate forecast long-term earnings. Airservices continues to be impacted by COVID-19 with uncertainty as to when domestic and international travel will return to pre-pandemic levels. The cash flow forecasts are estimated with reference to probability weighted projections of aeronautical revenue, cost reduction initiatives and the resulting long-term Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) margins. The revenue and terminal growth rate are dependent on the increase of revenues achieved through growth of aeronautical movements and are therefore subject to a high level of uncertainty due to the continued impact of COVID-19. The fair value is considered reasonable in the context of comparison to EBITDA multiples with similar airline and airport businesses.



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A sensitivity analysis was also performed by an independent valuation expert over the key assumptions used in the valuation. The sensitivity analysis is outlined in the below table:

Assumption	Selection	Sensitivity	Value (\$ million)	
			Low	High
WACC	7.75%	+/- 0.25%	249.5	446.8
Terminal value growth rate	2.00%	+/- 0.50%	243.5	463.0

**Australian Postal Corporation (Australia Post)**

Australia Post generates significant non-government cash flows and its cash flows have been demonstrated to be reliably predicted. The department has determined the fair value based on a discounted cash flow method prepared by Australia Post. The department engaged an independent expert to provide advice on the valuation model and underpinning assumptions.

The discounted cash flow valuation incorporates cash flow forecasts based on Australia Post's 2023-26 Corporate Plan, which has been extrapolated to 30 June 2028, with an estimated terminal value beyond 30 June 2028. The cash flows are discounted using a WACC of 7.5 percent (2021: 7.5 percent), determined with reference to entities that operate in similar industries. The terminal value assumes a terminal growth rate based on aggregate forecast long-term earnings.

Australia Post has been impacted by COVID-19 with high growth in parcel deliveries partially offset by a decline in mail volumes. The cash flow forecasts were estimated with reference to probability weighted projections of e-commerce trends and potential competition by major e-commerce operators. The revenue and terminal growth rate are dependent on an increase in revenue from e-commerce offset by capital and lease investment to support this growth, together with business efficiencies. As such, the forecasts are subject to a high level of uncertainty.

The fair value is considered reasonable in the context of comparison to EBITDA multiples with international mail and parcel entities. Although the Australia Post EBITDA multiple was lower than most comparable entities, this was considered reasonable in the context of forecast capital investment and Australia's lower population and geographic dispersal.

A sensitivity analysis was performed by the independent expert over the key assumptions used in the valuation. The sensitivity analysis is outlined in the below table:

Assumption	Selection	Sensitivity	Value (\$ billion)	
			Low	High
WACC	7.5%	+/- 0.5%	1.6	2.2
Terminal value growth rate	3.5%	+/- 0.2%	1.5	2.3

**Australian Rail Track Corporation Limited (ARTC)**

ARTC generates significant non-government cash flows. Due to the nature of its operations and assets, there are no readily comparable market examples for fair value determination purposes. The department has estimated the fair value using a discounted cash flow method with reference to ARTC's valuation of its interstate and Hunter Valley rail network assets, modified where necessary for cash flows associated with its other asset and liability categories. As ARTC's rail network assets represent a substantial portion of its total assets, and are valued based on independent expert advice using discounted cash flows and the ARTC weighted average cost of capital, the method provides a reasonable basis for the determination of fair value.

ARTC measures assets arising from construction of the Inland Rail project at cost, with subsequent impairment using multiple valuation methods, including market assessments and discounted cash flow calculations. At 30 June 2022, the future capital cost and incremental benefits associated with the Inland Rail project has been ring fenced from the fair value assessment of ARTC's interstate network assets, and existing expenditure has been significantly impaired. These assets will be integrated into the valuation of ARTC's interstate network assets once the project is substantially complete. The department and ARTC consider that a hypothetical acquirer would take into account the impairment of these assets as part of their price for the interstate rail network.

A sensitivity analysis was performed by an independent expert over the key assumptions used in the valuation. The sensitivity analysis is outlined in the below table:

Assumption	Selection	Sensitivity	Value (\$ billion)	
			Low	High
Discount rate	6.2% to 7.3%	-19.5 / 30.0%	2.1	4.2
Terminal value growth rate	-3.0% to 2.0%	-8.3% / +12.0%	3.0	3.1

## DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

#### NBN Co Limited (NBN Co)

The department has estimated the fair value of the investment in NBN Co using the discounted cash flow valuation method, with modelling input prepared by NBN Co and assistance from external experts. The department engaged an independent expert to provide advice on the valuation model and underpinning assumptions.

The discounted cash flow valuation calculates the equity value using the free cash flows forecast in NBN Co's Board endorsed Integrated Operating Plan 2023-26 (IOP23) extrapolated to 2040. The cash flow forecasts, were adjusted, where appropriate for assumptions relating to financing and other decisions that would be adopted by a hypothetical acquirer and included calculation of a terminal value. The forecast cash flows available to equity holders were discounted using an assumed required rate of return on equity of 9.3 per cent (2021:10.0 per cent). The discount rate reflects current market conditions as well as an assessment of the risks in the cash flow forecast underpinning the discounted cash flow calculation. The assumptions used in the valuation are based on circumstances that a hypothetical acquirer would consider in an acquisition of the equity in NBN Co as at 30 June 2022 in an arm's length transaction. These assumptions do not in any way reflect the structure, terms and conditions that could be required by the Australian Government in the event of an actual sale of NBN Co in the future.

No decisions have been made by the Government to sell all or part of the NBN. Any sale of NBN Co is prohibited by legislation until the mandatory pre-sale steps in the *National Broadband Network Companies Act 2011* have been completed in full. The assumptions adopted within the valuation do not seek to pre-empt the Australian Government's approach to a future sale of NBN Co.

The department has adopted a fair value estimate of \$19.7 billion (2021: \$18.0 billion), considering the sensitivity of the valuation to changes in key assumptions. Expert advice indicated the fair value was supported by cross-checks against valuation multiples of entities operating in similar industries.

#### Key financing assumptions

The valuation assumes a market participant acquirer would provide an equity injection on 30 June, such that the level of debt held by NBN Co reflected an amount which could be supported by the company on a standalone basis. The valuation model assumes that NBN Co's debt levels are reduced on 30 June (and replaced with equity) such that the debt level reflects the level that would be supportable based on NBN Co's assumed standalone credit rating at 30 June.

The financing assumptions underpinning the fair value are considered to be in line with the assumptions that a market participant would make if valuing the equity in NBN Co at 30 June.

#### Specific comment on tax losses and franking credits

The department has explicitly included value attributable to carried-forward tax losses and future franking credits in the 2021-22 valuation of NBN Co, unlike the previous year's valuation. The value attributed to carried-forward tax losses and franking credits is based on the calculated present value of a future utilisation scenario. The value of incremental future cash benefits from carried forward historic tax losses is discounted at a higher rate than the business cash flows, to reflect their relatively higher risk in being utilised. The imputation utilisation percentage assumed for franking credits is 50 per cent.

The allowability of carried-forward tax losses as well as the availability of franking credits were assessed by an external tax expert, who has confirmed that both can reasonably be expected to be available to a hypothetical market participant acquirer. While the assumptions used are subjective, the external tax and valuation experts have also provided confirmation that they are within a reasonable range.

The sensitivity to the key assumptions in the valuation is set out below:

Assumption	Selection	Sensitivity	Value (\$ billion)	
			Low	High
Discount rate	9.30%	+/-0.5%	17.8	21.9
Forecast total revenue	Per valuation model	+/-5% in each year	15.7	23.8
Forecast operating expenditure	Per valuation model	+/-10% in each year	14.5	24.2
Forecast capital expenditure	Per valuation model	+/-2.5% of revenue in each year	18.0	21.4
Debt interest	Per valuation model	+/-0.5%	18.4	21.0
Terminal growth rate	2.50%	+/-0.5%	19.1	20.4

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National Intermodal Corporation Limited and WSA Co Limited have not generated significant non-government cash flows to date and have been reliant on equity funding from the Australian Government. The department has determined the net assets method remains the most appropriate estimate of fair value for these entities at 30 June 2022. WSA Co has measured the lease of Commonwealth-owned land at the airport site at nil value. The net asset position has been adjusted to incorporate the fair value of land subject to the airport lease of \$500 million (2021: \$460 million) as determined by an independent valuer at 30 June 2022.

*Biodiversity offset credits (credits)*: The fair value of credits is determined with reference to the purchase price of credits for equivalent ecosystems or species using the Spot Price Index available on the Office of Environment and Heritage (OEH) website at <https://www.environment.nsw.gov.au/topics/animals-and-plants/biodiversity-offsets-scheme/offset-obligations-and-credit-trading/offsets-payment-calculator>.

The daily spot market prices reflect the price at which biodiversity offset credits can be traded between active market participants. Any differences between the carrying value and fair value at 30 June 2022 is reflected in the Administered Schedule of Comprehensive Income. Where spot prices were not available for specific credits, the fair value was determined based on the price that equivalent credits could be purchased from OEH.

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS  
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**4.2 Administered – Non-Financial Assets**

**4.2A: Reconciliation of the opening and closing balances of property, plant and equipment and intangibles**

Reconciliation of the opening and closing balances of property, plant and equipment for 2022

	Land \$'000	Buildings \$'000	Heritage and cultural \$'000	Property, plant & equipment \$'000	Computer software purchased \$'000	Phosphate mine leases \$'000	Total \$'000
<b>As at 1 July 2021</b>							
Gross book value	66,756	169,341	178,762	541,760	1,094	7,000	964,713
Accumulated depreciation, amortisation and impairment	-	(29,569)	(4,893)	(93,909)	(161)	(1,167)	(129,699)
<b>Total as at 1 July 2021</b>	<b>66,756</b>	<b>139,772</b>	<b>173,869</b>	<b>447,851</b>	<b>933</b>	<b>5,833</b>	<b>835,014</b>
<b>Additions</b>							
Purchase	-	3,605	1,613	17,060	3	-	22,281
Revaluations and impairments recognised in other comprehensive income	9,395	14,742	13,507	64,878	-	(696)	101,826
Depreciation and amortisation	-	(10,345)	(2,618)	(36,763)	(11)	(1,167)	(50,904)
Reclassifications	-	541	-	(53)	(488)	-	-
Disposals	-	-	-	-	-	-	-
Write-downs	-	-	(795)	(125)	-	-	(920)
<b>Total as at 30 June 2022</b>	<b>76,151</b>	<b>148,315</b>	<b>185,576</b>	<b>492,848</b>	<b>437</b>	<b>3,970</b>	<b>907,297</b>
<b>Total as at 30 June 2022 represented by</b>							
Gross book value	76,151	149,115	185,576	501,335	503	3,970	916,650
Accumulated depreciation, amortisation and impairment	-	(800)	-	(8,487)	(66)	-	(9,353)
<b>Total as at 30 June 2022</b>	<b>76,151</b>	<b>148,315</b>	<b>185,576</b>	<b>492,848</b>	<b>437</b>	<b>3,970</b>	<b>907,297</b>

## DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Land, buildings and other property, plant and equipment that meet the definition of a heritage and cultural item are disclosed in the heritage and cultural asset class.

#### Revaluations of non-financial assets

The department conducts revaluations for all administered asset classes every three years. All administered assets classes were revalued by an independent valuer at 30 June 2022. The revaluation increments totalling \$101.8 million were made to the asset revaluation reserve (2021: Nil).

#### Impairment of non-financial assets

An impairment loss of nil was recognised for non-financial assets for 2021-22 (2021: \$2.2 million). Recognition of impairment adjustments is in accordance with the impairment policy stated below.

#### Contractual commitments for the acquisition of property, plant, equipment assets for 2022

	Within 1 year	Between 1 to 5 years
	\$'000	\$'000
Buildings	1,053	65
Property plant and equipment	29,764	212
<b>Total capital commitments</b>	<b>30,817</b>	<b>277</b>

#### Accounting Policy

##### Administered artworks and other heritage and cultural assets

The administered artworks asset class comprises paintings and other artworks by Sir Sidney Nolan (Nolan collection) with an aggregated value of \$38.7 million (2021: \$35.6 million), along with artworks held on Norfolk Island. The Nolan collection is maintained by the Canberra Museum and Gallery (CMAG), an ACT Government entity, on behalf of the Commonwealth. Curatorial and preservation arrangements are managed in accordance with a Memorandum of Understanding between CMAG and the department. The collection is deemed to have an indefinite useful life.

The Heritage and cultural assets class comprises assets held and/or used primarily for purposes relating to their historical or cultural significance. They include:

- a) buildings, ruins, reserves and collections on Norfolk Island of historical significance with an aggregated value of \$84.8 million (2021: \$74.6 million). The conservation and preservation of these assets are managed in accordance with the *Kingston and Arthur's Vale Historic Area Heritage Management Plan 2016*
- b) memorials, reserves and temples on Christmas Island with an aggregated value of \$0.6 million (2021: \$1.0 million), and
- c) historic aircrafts with an aggregated value of \$8.4 million (2021: \$8.8 million) on display at Brisbane Airport, Adelaide Airport and the Queen Victoria Museum. The conservation and preservation of each aircraft is managed through an agreement with the relevant entity.

The National Institute of Dramatic Arts (NIDA) building is recognised as a heritage and cultural asset due to its cultural significance. The building is located on land leased from the University of New South Wales. The building is sub-let to NIDA for nominal consideration but is classified as an operating lease from the perspective of the department, as the lessor, as the department funds maintenance and capital upgrades to the building.

All assets in the class, except the NIDA building, are deemed to have indefinite useful lives due to the curatorial and preservation policies and arrangements in place. The policies are developed and monitored by qualified personnel and include the following:

- a) a clearly stated objective about the holding and preservation of items
- b) a well-developed plan to achieve the objective, including demonstration of how the policy will be implemented based on advice by appropriately qualified experts
- c) monitoring procedures, and
- d) periodic reviews.

##### Administered Intangibles

Administered intangibles include purchased software and phosphate mining lease rights on Christmas Island. The useful lives of administered intangibles are 1 to 9 years or the lease term.

Software assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Phosphate mining lease rights are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses.

## DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

#### Accounting Judgements and Estimates

##### Revaluations

Following initial recognition at cost, property, plant and equipment are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure the carrying amount does not differ materially from the asset's fair values as at the reporting date. The regularity of valuations depends upon the volatility of movements in market values for the relevant assets. Each asset class carried at fair value is revalued at least every three years.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation surplus 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 as a surplus/deficit except to the extent they reverse a previous revaluation increment for that class.

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

##### Impairment

The department has considered potential implications of COVID-19 on the impairment of its administered non-financial assets as at 30 June 2022 in accordance with AASB 136. The majority of administered assets are used to provide essential services in the Indian Ocean Territories, Jervis Bay Territory and Norfolk Island or are held for their heritage and cultural significance. No impairment adjustments of non-financial assets occurred as a direct consequence of COVID-19.

##### Land

The fair value of land administered on behalf of the Australian Government has been taken to be the market value of similar assets as determined by an independent qualified valuer at 30 June 2022. The fair value of individual land parcels is considered representative of their highest and best use and the fundamental assumption that they could be sold on a freehold basis.

##### Buildings and other property, plant and equipment

The fair value of buildings and other property, plant and equipment assets has been taken to be either the market value or current replacement cost of similar assets as determined by an independent qualified valuer as at 30 June 2022.

Other property, plant and equipment includes infrastructure used to provide essential services in the Territories and Regional Backbone Blackspot Program (RBBP) network infrastructure assets. The fair value of RBBP assets is taken to be the current replacement cost for each identified component of the assets. Components include fibre optic cable, Controlled Environment Vault Shelters and Backbone Point of Interconnect cabinets.

##### Artworks, museum collections and other heritage and cultural assets

The fair value of artworks and other collections administered on behalf of the Australian Government have been taken to be the market value of similar assets as determined by an independent qualified valuer at 30 June 2022 or the current replacement cost (NIDA building). High value items are valued on an individual basis. The fair value of museum collections comprising a large number of similar artefacts were valued based on a stratified multi-stage sampling basis.

##### Intangible assets

The fair value of phosphate mining lease rights was determined by an independent qualified valuer as at 30 June 2022, measured as the present value of expected royalties on the estimated phosphate reserves remaining.

##### Land and structures at Australian Government owned airports and the Moorebank Logistics Park

The land and structures at 21 civilian airports owned by the Australian Government and leased to private sector interests are subject to lease arrangements with an initial lease term of 50 years and a 49-year extension option exercisable by the lessees. Consideration consisted of upfront payments by the lessees, without any subsequent lease payments being payable, including in the event of the exercise of the lease extension option. These leases have been assessed as having no reportable fair value because of the extended period before any future revenue stream will accrue.

Land at the Western Sydney Airport site was leased to WSA Co on 17 May 2018 for no consideration at an initial term of 50 years and is also reported at nil value.

Land owned by the Australian Government at Moorebank NSW has been leased to a subsidiary of National Intermodal Corporation Ltd for 99 years for a nominal annual rental to develop an intermodal freight terminal. The lease has been assessed as having no reportable fair value as the present value of minimum lease payments is negligible.

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**  
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	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
<b>4.2B: Inventories</b>		
Inventories held for distribution	<u>3,067</u>	2,632
<b>Total inventories</b>	<u>3,067</u>	2,632

**Accounting Policy**

*Inventories*

During 2022, \$9.0 million (2021: \$7.6 million) of inventory held for distribution was recognised as an expense. All inventories are expected to be distributed in the next 12 months. Inventories held for distribution are valued at cost, adjusted for any loss of service potential.

Costs incurred in bringing each item of inventory to its present location and condition are assigned as follows:

- a) raw materials and stores – purchase cost on a first in-first out basis, and
- b) finished goods and work-in-progress – cost of direct materials and labour plus attributable costs that can be allocated on a reasonable basis.

Inventories acquired at no cost or nominal consideration are initially measured at current replacement cost at the date of acquisition.

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**4.3 Administered – Payables**

	2022	2021
	\$'000	\$'000
<b>4.3A: Suppliers</b>		
Trade creditors and accruals	338,561	353,698
<b>Total suppliers</b>	<b>338,561</b>	<b>353,698</b>
Settlement is usually made within 20 days (2021: 20 days).		
<b>4.3B: Subsidies</b>		
<b>Subsidies in connection with</b>		
Aviation subsidies	28,716	86,434
Tasmanian Freight Equalisation Scheme	11,425	7,075
Other subsidies	4,534	6,797
<b>Total subsidies</b>	<b>44,675</b>	<b>100,306</b>
Settlement was due according to the terms and conditions of each grant within 30 days of performance eligibility.		
<b>4.3C: Grants</b>		
Australian Government entities	6,561	8,374
State and Territory Governments	85,979	39,050
Local Governments	-	7,409
Non-profit organisations	6,072	17,151
Commercial entities	46,607	22,678
<b>Total grants</b>	<b>145,219</b>	<b>94,662</b>
<b>4.3D: Other payables</b>		
Lease income received in advance	6,759	8,288
Classification fees received in advance	687	567
Salaries and wages	260	223
Superannuation	35	28
Other	332	177
<b>Total other payables</b>	<b>8,073</b>	<b>9,283</b>



## DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

**4.4 Administered – Other Provisions**

	Biodiversity Offset Credits \$'000	Regional Broadband Scheme \$'000	Other Provisions \$'000	Total \$'000
<b>As at 1 July 2021</b>	<b>75,641</b>	<b>334,506</b>	<b>3,693</b>	<b>413,840</b>
Additional provisions made	1,936	727,672	1,992	731,600
Amounts used	-	(338,703)	(1,410)	(340,113)
Remeasurement	-	4,197	-	4,197
<b>Total as at 30 June 2022</b>	<b>77,577</b>	<b>727,672</b>	<b>4,275</b>	<b>809,524</b>

**Accounting Policy**Other Provisions

There are constructive obligations to use biodiversity offset credits to offset the environmental impact of development at the Western Sydney Airport. The biodiversity obligations are derived from the Western Sydney Airport Biodiversity Offset Delivery Plan.

The Regional Broadband Scheme reflects the constructive obligation to provide financial assistance to eligible funding recipients. The financial assistance obligation is derived from the *Telecommunications (Consumer Protection and Service Standards) Act 1999* and *Telecommunications (Regional Broadband Scheme) Charge Act 2020*.

The phosphate mine rehabilitation provision reflects the Australian Government's obligation to rehabilitate land on Christmas Island affected by phosphate mining. The asbestos remediation provision reflects an obligation to remediate asbestos in buildings or structures owned by the Commonwealth where there is a present obligation and the cost of remediation can be reliably measured. Other provisions represent estimated costs to settle legal claims made against the department where settlement is considered probable.

**Accounting Judgements and Estimates**Biodiversity offset credits

Amounts provided for Biodiversity offset credits are equivalent to the fair value of the associated financial asset.

Regional Broadband Scheme

The Regional Broadband Scheme (RBS) started on 1 January 2021, with an aim to ensure transparent and sustainable funding for essential broadband services supplied to regional, rural and remote Australians, and specifically to cover the net losses of NBN fixed wireless and satellite services. Under the RBS, carriers are required to pay \$7.45 per month for each premise on their network during 2021-22 with an active high speed superfast broadband service provided over a local access line. NBN Co will pay around 95 percent of total charges imposed on carriers under the RBS with the Commonwealth expecting to fund eligible funding recipients, through charges collected under the RBS.

The Australian Communications and Media Authority is responsible for assessing and collecting charges from carriers and the department is responsible for entering into contracts or making grants of financial assistance to eligible funding recipients. As at 30 June 2022, NBN Co is the only eligible funding recipient and is estimated to receive a total of \$727.7 million in subsidies for the period 1 July to 30 June 2022.

Provision for Phosphate Mine Rehabilitation

The provision for phosphate mine rehabilitation is equal to the balance of the Christmas Island Phosphate Mining Rehabilitation Special Account, adjusted for accrued payments and revenue at year end.

Other provisions

Amounts are provided for settlement of claims against the department where settlement is probable and the amount can be reliably estimated using professional judgement.

## DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### 5. Funding

This section identifies the department's funding structure.

#### 5.1 Appropriations

##### 5.1A: Annual Appropriations (Recoverable GST exclusive)

#### Annual Appropriations for 2021-22

	Annual Appropriation \$'000	Adjustments to appropriation <sup>1</sup> \$'000	Total appropriation \$'000	Appropriation applied in 2021-22 (current and prior years) \$'000	Variance <sup>2</sup> \$'000
<b>Departmental</b>					
Ordinary annual services	405,452	30,790	436,242	(419,662)	16,580
Capital Budget <sup>3</sup>	20,989	-	20,989	(28,985)	(7,996)
<b>Total departmental</b>	<b>426,441</b>	<b>30,790</b>	<b>457,231</b>	<b>(448,647)</b>	<b>8,584</b>
<b>Administered</b>					
Ordinary annual services					
Capital Budget <sup>3</sup>	19,857	-	19,857	(18,331)	1,526
Administered items	3,755,554	265,777	4,021,331	(3,462,800)	558,531
Payments to corporate Commonwealth entities	2,103,913	14,227	2,118,140	(2,118,140)	-
Other services					
States, ACT, NT and Local government	1,491,351	-	1,491,351	(1,130,918)	360,433
Administered assets and liabilities	2,163,637	-	2,163,637	(1,455,520)	708,117
Payments to corporate Commonwealth entities	75,520	-	75,520	(75,520)	-
<b>Total administered</b>	<b>9,609,832</b>	<b>280,004</b>	<b>9,889,836</b>	<b>(8,261,229)</b>	<b>1,628,607</b>

- Administered adjustments include additional appropriation received through the Advance to the Finance Minister (AFM), to support making a grant payment of \$480 million to NBN Co Limited (AFM amount: \$235 million *Appropriation Act (No. 1) 2021-22*). Departmental adjustments comprise receipts retained under s74 of the PGPA Act. In addition, the departmental and administered adjustments include amounts transferred under s75 of the PGPA Act. This relates to amendments to the Administrative Arrangements Order on 2 July 2021, which transferred responsibility for Northern Australia policy, including the *Northern Australia Infrastructure Facility Act 2016* from the Department of Industry, Science, Energy and Resources.
- Variances in annual administered appropriations mainly relate to expenditure associated with the COVID-19 aviation response packages, which are demand-driven in nature, and delays in meeting milestones for the regional grant and digital technology and communications programs, to those impacted by severe weather events and COVID-19. The variance in the State and Territories appropriations mainly relates to the delay in project completion under the Local Roads and Community Infrastructure program. The variance in administered assets and liabilities is due to drawdowns made from prior years' appropriations and undrawn current year appropriations.
- Departmental and Administered Capital Budgets are appropriated through Appropriation Acts (No. 1,3,5). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts.

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**5.1A: Annual Appropriations (Recoverable GST exclusive) (continued)**

**Annual Appropriations for 2020-21**

	Annual Appropriation \$'000	Adjustments to appropriation <sup>1</sup> \$'000	Total appropriation \$'000	Appropriation applied in 2020-21 (current and prior years) \$'000	Variance <sup>2</sup> \$'000
<b>Departmental</b>					
Ordinary annual services	376,051	22,917	398,968	(374,835)	24,133
Capital Budget <sup>3</sup>	21,040	-	21,040	(12,981)	8,059
<b>Total departmental</b>	<b>397,091</b>	<b>22,917</b>	<b>420,008</b>	<b>(387,816)</b>	<b>32,192</b>
<b>Administered</b>					
Ordinary annual services					
Capital Budget <sup>3</sup>	18,946	-	18,946	(16,762)	2,184
Administered items	3,556,424	1,097,550	4,653,974	(3,576,530)	1,077,444
Payments to corporate Commonwealth entities	2,060,440	-	2,060,440	(2,060,440)	-
Other services					
States, ACT, NT and Local government	1,612,529	250,000	1,862,529	(1,531,495)	331,034
Administered assets and liabilities	1,713,325	-	1,713,325	(1,413,402)	299,923
Payments to corporate Commonwealth entities	42,328	-	42,328	(42,328)	-
<b>Total administered</b>	<b>9,003,992</b>	<b>1,347,550</b>	<b>10,351,542</b>	<b>(8,640,957)</b>	<b>1,710,585</b>

1. Departmental adjustments comprise receipts retained under s74 of the PGPA Act. Administered adjustments include additional appropriation received through Advances to the Finance Minister (\$1.1 billion Air Transport Act No. 1 and \$250 million Local Government Act No. 2).
2. Variances in annual administered appropriations mainly relate to expenditure associated with the COVID-19 aviation response packages, which are demand-driven in nature, and delays in meeting milestones for the regional grant and local government programs, to those impacted by the bushfires and COVID-19. The variance in administered assets and liabilities appropriations mainly relates to an over allocation of funding in the 2020-21 Budget. The additional funding was subsequently quarantined under s51 of the PGPA Act. The variance in the State and Territories appropriations mainly relates to the funding received through the Advance to the Finance Minister due appropriation bills not available at the time payments were required.
3. Departmental and Administered Capital Budgets are appropriated through Appropriation Acts (No. 1, 3, 5). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts. The variance in the departmental capital budget mainly relates to a delay in the commencement of capital projects.

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**5.1B: Unspent Annual Appropriations ('Recoverable GST exclusive')**

	2022	2021
	\$'000	\$'000
<b>Departmental</b>		
Appropriation Act (No. 1) 2020-21 <sup>1</sup>	9,208	149,669
Appropriation Act (No. 1) 2020-21 Departmental Capital Budget	-	8,059
Appropriation Act (No. 3) 2020-21 <sup>3</sup>	-	346
Appropriation Act (No. 1) 2020-21 unspent cash	-	5,509
Appropriation Act (No. 1) 2021-22 <sup>3,4</sup>	143,994	-
Appropriation Act (No. 1) 2021-22 Departmental Capital Budget	63	-
Appropriation Act (No. 3) 2021-22	9,525	-
Appropriation Act (No. 1) 2021-22 unspent cash	10,299	-
<b>Total departmental</b>	<b>173,089</b>	<b>163,583</b>
<b>Administered</b>		
Appropriation Act (No. 1) 2018-19 <sup>3,5</sup>	-	134,256
Appropriation Act (No. 3) 2018-19 <sup>3,5</sup>	-	18
Appropriation Act (No. 2) 2018-19 - Administered Assets and Liabilities <sup>5</sup>	-	382,357
Appropriation Act (No. 2) 2018-19 - Advance to the Finance Minister (Payments to States, ACT, NT and local government) <sup>5</sup>	-	30,547
Appropriation Act (No. 1) 2019-20 <sup>3</sup>	3,872	421,803
Appropriation Act (No. 3) 2019-20	12,525	17,648
Appropriation Act (No. 5) 2019-20 <sup>2</sup>	3,299	3,299
Appropriation Act (No. 2) 2019-20 - Administered Assets and Liabilities <sup>3</sup>	311,685	313,255
Supply Act (No. 2) 2019-20 - Administered Assets and Liabilities <sup>3</sup>	210,245	212,341
Appropriation Act (No. 4) 2019-20 - Administered Assets and Liabilities	13,195	13,195
Supply Act (No. 1) 2020-21	137,932	243,231
Appropriation Act (No. 1) 2020-21 <sup>2</sup>	416,763	1,096,580
Appropriation Act (No. 1) 2020-21 - Administered Capital Budget	-	4,324
Supply Act (No. 2) 2020-21 - Administered Assets and Liabilities <sup>2</sup>	509,593	930,605
Appropriation Act (No. 2) 2020-21 - Administered Assets and Liabilities	1	20,391
Appropriation Act (No. 2) 2020-21 - Payments to States, ACT, NT and local government <sup>2</sup>	275,083	377,953
Appropriation Act (No. 1) 2020-21 - Advance to the Finance Minister <sup>2</sup>	222,973	222,973
Appropriation Act (No. 3) 2020-21 <sup>2</sup>	126,629	399,712
Appropriation Act (No. 4) 2020-21 - Administered Assets and Liabilities	-	26,142
Appropriation Act (No. 1) 2021-22 <sup>3</sup>	1,272,252	-
Appropriation Act (No. 1) 2021-22 - Administered Capital Budget	3,750	-
Appropriation Act (No. 2) 2021-22 - Administered Assets and Liabilities	1,080,882	-
Appropriation Act (No. 2) 2021-22 - Payments to States, ACT, NT and local government	462,675	-
Appropriation Act (No. 3) 2021-22	767,532	-
Appropriation Act (No. 3) 2021-22 - Administered Capital Budget	2,099	-
Appropriation Act (No. 4) 2021-22 - Administered Assets and Liabilities	98,445	-
Appropriation Act (No. 4) 2021-22 - Payments to States, ACT, NT and local government	629	-
<b>Total administered</b>	<b>5,932,059</b>	<b>4,850,630</b>

1. Includes departmental amount held under section 51 - Appropriation Act (No. 1) 2020-21: \$9.2 million
2. Includes administered amounts held under section 51 - Appropriation Act (No. 5) 2019-20: \$3.3 million, Appropriation Act (No. 1) 2020-21: \$275.5 million, Supply Act (No. 2) 2020-21 - Administered Assets and Liabilities: \$338 million, Appropriation Act (No. 2) 2020-21 - Payments to States, ACT, NT and local government: \$254 million, Appropriation Act (No. 1) 2020-21 - Advance to the Finance Minister: \$223 million, Appropriation Act (No. 3) 2020-21: \$126.6 million.
3. Includes amounts transferred under s75 of the PGPA Act.
4. Includes receipts retained under s74 of the PGPA Act.
5. 2018-19 appropriations lapsed on 1 July 2021 in accordance with the provisions in the appropriation acts.

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<b>5.1C: Special Appropriations ('Recoverable GST exclusive')</b>			
<b>Authority</b>	<b>Type</b>	<b>Appropriation applied</b>	
		<b>2022 \$'000</b>	<b>2021 \$'000</b>
<i>Assistance for Severely Affected Regions (Special Appropriation) (Coronavirus Economic Response Package) Act 2020</i>	Unlimited amount	-	161,625
<i>Australian Maritime Safety Authority Act 1990, section 48</i>	Unlimited amount	<b>136,114</b>	132,248
<i>Australian National Railways Commission Sale Act 1997 - section 67AH(4)</i>	Limited amount	-	-
<i>Aviation Fuel Revenues (Special Appropriation) Act 1988</i>	Unlimited amount	<b>83,767</b>	68,193
<i>Civil Aviation Act 1988 - section 46A(4)</i>	Unlimited amount	<b>882</b>	-
<i>Classification (Publications, Films and Computer Games) Act 1995</i>	Unlimited amount	-	-
<i>Local Government (Financial Assistance) Act 1995 - section 19</i>	Unlimited amount	<b>3,483,245</b>	2,561,384
<i>Northern Australia Infrastructure Facility Act 2016 - section 41</i>	Limited amount	<b>457,681</b>	-
<i>Protection of the Sea (Oil Pollution Compensation Fund) Act 1993 - section 40(4)</i>	Unlimited amount	<b>358</b>	-
<i>Public Governance, Performance and Accountability Act 2013 – Section 77</i>	Refund provisions	<b>323</b>	268
<i>Sydney Airport Demand Management Act 1997 - section 27(4)</i>	Limited amount	-	-
<i>Telstra Corporation Act 1991, section 8BA(3)</i>	Unlimited amount	-	-
<b>Total special appropriations applied</b>		<b>4,162,370</b>	2,923,718

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**5.2 Special Accounts**

**5.2A: Special Accounts ('Recoverable GST exclusive')**

	Art Rental Special Account 2016 <sup>1</sup>		Christmas Island Phosphate Mining Rehabilitation Special Account 2016 <sup>2</sup>		Cultural Special Account <sup>3</sup>		Indian Ocean Territories Special Account <sup>4</sup>		Indigenous Repatriation Special Account 2016 <sup>5</sup>		Jervis Bay Special Account <sup>6</sup>	
	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance brought forward from previous period	2,786	2,061	2,577	2,377	832	907	3,865	6,586	2,973	2,591	495	336
<b>Increases</b>												
<b>Departmental</b>												
Other receipts		3,802				640				1,236		834
Total departmental		3,802				640				1,236		834
<b>Administered</b>												
Other receipts			1,217	1,041			20,328	17,320			1,523	1,026
Total Administered			1,217	1,041			20,328	17,320			1,523	1,026
<b>Total increases</b>		3,802	1,217	1,041		640	20,328	17,320		1,236	1,523	1,026
<b>Available for payments</b>		6,588	3,794	3,418	832	1,547	24,193	23,906		4,209	2,018	1,362
<b>Decreases</b>												
<b>Departmental</b>												
Payments made to suppliers	(3,615)	(3,313)				(715)				(394)		(452)
Adjustments to special account					(832)							
Total Departmental	(3,615)	(3,313)			(832)	(715)				(394)		(452)
<b>Administered</b>												
Payments made to suppliers			(1,260)	(841)			(19,270)	(20,041)			(770)	(867)
Total Administered			(1,260)	(841)			(19,270)	(20,041)			(770)	(867)
<b>Total decreases</b>	(3,615)	(3,313)	(1,260)	(841)	(832)	(715)	(19,270)	(20,041)	(394)	(452)	(770)	(867)
<b>Balance carried to the next period</b>	2,973	2,786	2,534	2,577		832	4,923	3,863		3,815	1,248	495
<b>Balance represented by</b>												
Cash held in bank account	168	34					31	26			1	1
Cash held in the Official Public Account	2,805	2,752	2,534	2,577		832	4,892	3,839		3,815	1,247	494
<b>Total balance carried to the next period</b>	2,973	2,786	2,534	2,577		832	4,923	3,863		3,815	1,248	495

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**5.2A: Special Accounts ('Recoverable GST exclusive')**

	Melbourne Airport New Runway Land Acquisition Special Account <sup>7</sup>	National Cultural Heritage Special Account <sup>8</sup>	Public Interest Telecommunications Special Account <sup>9</sup>	Regional Broadband Scheme Special Account <sup>10</sup>	Services for Other Entities and Trust Moneys <sup>11</sup>
	2021 2022 \$'000	2021 2022 \$'000	2021 2022 \$'000	2021 2022 \$'000	2021 2022 \$'000
Balance brought forward from previous period	47	-	34,828	-	507
<b>Increases</b>					
<b>Departmental</b>					
Appropriation credited to special account	-	-	4,046	-	-
Other receipts	-	-	-	-	1,337
<b>Administered</b>					
Contribution received	-	500	-	-	-
Telecommunication Industry Levy receipts	-	-	225,579	10,992	-
Appropriation credited to special account	-	-	95,954	-	-
Other receipts	4	-	648	-	426
<b>Total Administered</b>	4	500	322,181	10,992	426
<b>Total increases</b>	4	500	326,227	10,992	426
<b>Available for payments</b>	47	500	361,055	10,992	1,844
<b>Decreases</b>					
<b>Departmental</b>					
Payments made to suppliers	-	-	(3,398)	-	(1,085)
Contribution made	-	-	(648)	-	-
<b>Total Departmental</b>	-	-	(4,046)	-	(1,085)
<b>Administered</b>					
Payments made to suppliers	(5)	(500)	(316,663)	(10,992)	-
Payments made to others	-	-	-	-	(27)
<b>Total Administered</b>	(5)	(500)	(316,663)	(10,992)	(27)
<b>Total decreases</b>	(5)	(500)	(320,709)	(10,992)	(1,085)
<b>Total balance carried to the next period</b>	47	47	40,346	-	759
<b>Balance represented by</b>					
Cash held in bank account	-	-	-	-	85
Cash held in the Official Public Account	47	47	40,346	34,828	674
<b>Total balance carried to the next period</b>	47	47	40,346	34,828	759

- 1 Appropriation: *Public Governance, Performance and Accountability Act 2013*; section 78. Establishing Instrument: *PGPA Act Determination (Art Rental Special Account 2016)*. Purpose: Acquire, deaccession, lease, promote, develop, exhibit, lend, conserve and undertake any other activities in relation to managing an art rental collection for the Commonwealth.
- 2 Appropriation: *Public Governance, Performance and Accountability Act 2013*; section 78. Establishing Instrument: *PGPA Act Determination (Christmas Island Phosphate Mining Rehabilitation Special Account 2016)*. Purpose: To manage the funding provided for the rehabilitation of phosphate mine sites on Christmas Island in accordance with the requirements of the lease between Phosphate Resources Ltd and the Australian Government.
- 3 Appropriation: *Public Governance, Performance and Accountability Act 2013*; section 78. Establishing Instrument: *Financial Management and Accountability (Establishment of Cultural Special Account) Determination 2011/18*. Purpose: Supporting the performance or administration of cultural activities. The special account was sunset on 1 October 2021 and its balance was transferred to the newly established *Services for Other Entities and Trust Moneys (SOETM)* special account. Refer below to the footnote no.11.



## DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

- 4 Appropriation: *Public Governance, Performance and Accountability Act 2013*; section 78. Establishing instrument: *PGPA Act (Indian Ocean Territories Special Account 2014 – Establishment) Determination 02*. Purpose: Delivery of essential services and infrastructure within the Indian Ocean Territories. Note that \$0.03 million in this special account is recognised as monies held in trust. This balance does not form part of the financial statements.
- 5 Appropriation: *Public Governance, Performance and Accountability Act 2013*; section 78. Establishing instrument: *PGPA Act Determination (Indigenous Repatriation Special Account 2016)*. Purpose: Developing and conducting projects, programs and strategies associated with the repatriation of Indigenous ancestral remains and secret sacred objects.
- 6 Appropriation: *Public Governance, Performance and Accountability Act 2013*; section 78. Establishing instrument: *PGPA Act (Jervis Bay Territory Special Account 2014 – Establishment) Determination 03*. Purpose: Delivery of essential services and infrastructure within the Jervis Bay Territory. Note that \$0.001 million in this special account is recognised as monies held in trust. This balance does not form part of the financial statements.
- 7 Appropriation: *Public Governance, Performance and Accountability Act 2013*; section 78. Establishing instrument: *PGPA Act (Melbourne Airport New Runway Land Acquisition Special Account – Establishment) Determination 2015/70*. Purpose: Payments associated with the acquisition of land in connection with the Melbourne (Tullamarine) Airport.
- 8 Appropriation: *Public Governance, Performance and Accountability Act 2013*; section 80. Establishing instrument: *Protection of Moveable Cultural Heritage Act 1986*, section 25. Purpose: Amounts standing to the credit of the National Cultural Heritage Account may be expended for the purpose of facilitating the acquisition of the Australian protected objects for display or self-keeping.
- 9 Appropriation: *Public Governance, Performance and Accountability Act 2013*; section 80. Establishing instrument: *Telecommunications (Consumer Protection and Service Standards) Act 1999*, Division 5, section 37. Purpose: Support the delivery of Universal Service Obligation, National Relay Service and other public interest telecommunications services for all Australians. The Australian Communications and Media Authority collects a levy imposed on carriers under the *Telecommunications (Industry Levy) Act 2012* and the *Telecommunications (Consumer Protection and Service Standards) Act 1999*. These levy receipts are credited to the special account, and along with Government funding, are used to pay contractors and grant recipients and to contribute to administrative costs.
- 10 Appropriation: *Public Governance, Performance and Accountability Act 2013*; section 80. Establishing instrument: *Telecommunications (Consumer Protection and Services Standards) Act 1999*, Division 3, section 89. Purpose: To ensure transparency in use of the funding raised by the Regional Broadband Scheme. The special account quarantines proceeds raised by the charge to pay eligible recipients for providing fixed wireless and satellite broadband services to regional, rural and remote Australians, and to contribute to administrative costs.
- 11 Appropriation: *Public Governance, Performance and Accountability Act 2013*; section 78. Establishing instrument: *PGPA Act Determination (Infrastructure, Transport, Regional Development and Communications SOETM Special Account 2021)*. Purpose: Expenditure of money temporarily held in trust or otherwise for the benefit of a person other than the Commonwealth. Note the other receipt balance adjustment of \$0.832 million relates to transfer of balance from the Cultural Special Account which sunset on 1 October 2021.



**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**5.3 Regulatory Charging Summary**

	2022 \$'000	2021 \$'000
<b>Amounts applied</b>		
Departmental		
Annual appropriations	14,094	16,210
Administered		
Special appropriations (including special accounts)	136,114	132,248
<b>Total amounts applied</b>	<b>150,208</b>	<b>148,458</b>
<b>Expenses</b>		
Departmental	14,124	16,340
Administered	134,689	132,667
<b>Total expenses</b>	<b>148,813</b>	<b>149,007</b>
<b>External Revenue</b>		
Administered	144,973	147,805
<b>Total external revenue</b>	<b>144,973</b>	<b>147,805</b>
<b>Amounts written off</b>		
Departmental	3	2
Administered	108	98
<b>Total amounts written off</b>	<b>111</b>	<b>100</b>

**Regulatory charging activities:**

1. Environment protection and building control at leased federal airports
2. Coasting trade permits
3. Vehicle safety standards
4. Australian Maritime Safety Authority levies
5. Classification fees

Documentation (Cost Recovery Impact Statement) for the environmental protection and building control at leased federal airports, coasting trade permits and other minor cost recovery arrangements is available at:  
<https://www.infrastructure.gov.au/sites/default/files/migrated/department/cost-recovery-implementation-statements/files/2005-CRIS-Minor-Arrangements.pdf>

Documentation (Cost Recovery Impact Statement) for Noise amelioration at Sydney and Adelaide Airports is available at:  
<https://www.infrastructure.gov.au/sites/default/files/migrated/department/cost-recovery-implementation-statements/files/2005-CRIS-Noise-amelioration.pdf>

Documentation (Cost Recovery Impact Statement) for Vehicle Safety Standards is available at  
<https://www.infrastructure.gov.au/sites/default/files/migrated/department/cost-recovery-implementation-statements/files/cris-rvsa-26-march-2020.pdf> and  
<https://www.infrastructure.gov.au/sites/default/files/migrated/department/cost-recovery-implementation-statements/files/2005-CRIS-Vehicle-Safety-Standards.pdf>

Documentation (Cost Recovery Impact Statement) for Australian Maritime Safety Authority levies is available at:  
<https://www.amsa.gov.au/about/fees-levies-and-payments/cost-recovery-implementation-statement-2020-21>

Documentation (Cost Recovery Impact Statement) for classification fees is available at:  
<https://www.classification.gov.au/about-us/corporate-reporting/cost-recovery>

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**5.4 Net Cash Appropriation Arrangements**

	2022	2021
	\$'000	\$'000
<b>Total comprehensive income/(loss) - as per the Statement of Comprehensive Income</b>	<b>9,806</b>	6,470
Plus: depreciation/amortisation of assets funded through appropriations (Departmental Capital Budget funding and/or equity injections)	<b>16,666</b>	14,162
Plus: depreciation of right-of-use assets	<b>21,600</b>	21,721
Less: lease principal repayments	<b>(21,666)</b>	(21,075)
<b>Net Cash Operating Surplus</b>	<b>26,406</b>	21,278

1. From 2010-11, the Government introduced net cash appropriation arrangements where revenue appropriations for depreciation/amortisation expense of non-corporate Commonwealth entities and selected corporate Commonwealth entities were replaced with separate Capital Budget provided through equity injections. Capital Budgets are to be appropriated in the period when cash payment for capital expenditure is required.

2. Amounts are disclosed for depreciation of ROU assets and principal repayments of leased assets to reflect funding arrangements on adoption of *AASB 16 Leases* and the timing of expense recognition. Lease payments are met from departmental appropriations for ordinary annual services and not Capital Budgets.

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

DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS  
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## 6. 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.

### 6.1 Employee Provisions

	2022	2021
	\$'000	\$'000
<b>6.1A: Employee provisions</b>		
Leave	70,619	69,393
<b>Total employee provisions</b>	<b>70,619</b>	<b>69,393</b>
<b>6.1B: Administered employee provisions</b>		
Leave	3,900	4,205
<b>Total employee provisions</b>	<b>3,900</b>	<b>4,205</b>

#### Accounting Policy

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

Annual leave and long service leave provisions are classified as 'other long-term employee benefits' under AASB 119 as they are not expected to be wholly settled within the next twelve months. Other long-term employee benefits are measured as the present value of the expected cash flows.

#### Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting.

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

#### Superannuation

The department's staff 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 for the Australian Government. The PSSap is a defined contribution scheme.

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

The department makes employer contributions to the employees' defined benefit superannuation schemes at rates determined by an actuary to be sufficient to meet the current cost to the Government. The department accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final pay fortnight of the reporting period.

#### Accounting Judgements and Estimates

The liability for other long-term benefits has been determined with reference to the department specific probability factors determined by the Australian Government Actuary (AGA) as at 31 January 2022. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

The measurement of employee provisions may be affected by changes in leave trends due to the impact of COVID-19. The department's assessment is that the impact would not have a material impact on the balance reported at 30 June 2022.

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**6.2 Key Management Personnel Remuneration**

Key management personnel (KMP) are those persons having authority for planning, directing and controlling the activities of the department, directly or indirectly. The department has determined KMP to be Portfolio Ministers<sup>1</sup>, Secretary and members of the department's Operations Committee.

During 2021-22, KMP for the department comprised the Secretary and Deputy Secretaries.

KMP remuneration is reported in the table below:

	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Short-term employee benefits	<b>3,263</b>	2,887
Post-employment benefits	<b>535</b>	488
Other long-term employee benefits	<b>108</b>	72
Termination benefits	<b>803</b>	360
<b>Total key management personnel remuneration expenses<sup>2</sup></b>	<b>4,708</b>	3,807

The total number of KMP included in the above table are ten (2021: eight).<sup>3</sup>

1. Remuneration reported in this note excludes the remuneration and other benefits of Portfolio Ministers. Portfolio Ministers' remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the department.
2. Remuneration is reported on an accrual basis and excludes short-term acting arrangements.
3. The department had eight KMP positions at 30 June 2022 (2021: eight). The total number of KMP above includes employees occupying KMP positions for part of the year.

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**6.3 Related Party Disclosures**

**Related party relationships:**

The department is an Australian Government controlled entity. Related parties to the department are KMP (refer Note 6.2), other Australian Government entities and the Norfolk Island Health and Residential Aged Care Service (refer Note 4.1D).

**Transactions with related parties:**

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. These transactions have not been separately disclosed in this note.

During 2021-22, significant transactions with related parties included:

- principal and interest loan repayments from NBN Co Limited;
- payment to NBN Co Limited under the Regional Broadband Scheme;
- equity payments to portfolio entities;
- Telecommunications Industry Levy receipts from the Australian Communications and Media Authority;
- dividend revenue from Australian Rail Track Corporation Limited and Australia Postal Corporation; and
- payments for grants administration to the Department of Industry, Science, Energy and Resources.

Considering relationships with related entities, and transactions entered into during the reporting period by the department, it has been determined that there are no other related party transactions to be separately disclosed.

**7. Managing Uncertainties**

This section analyses how the department manages financial risks within its operating environment.

**7.1 Contingent Assets and Liabilities**

**7.1A: Contingent Assets and Liabilities**

	Claims for damages or costs		Total	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
<b>Contingent assets</b>				
Balance from previous period	-	-	-	-
New contingent assets recognised	10	-	10	-
<b>Total contingent assets</b>	<b>10</b>	<b>-</b>	<b>10</b>	<b>-</b>
<b>Net contingent assets</b>	<b>10</b>	<b>-</b>	<b>10</b>	<b>-</b>

**Quantifiable Contingencies**

**Contingent Assets**

As at 30 June 2022, there is an insurance claim submitted to recover costs for damage to the property, plant and equipment at the Orange Office due to a power surge. The claim is contingent on acceptance by the department's insurer.

**Unquantifiable Contingencies**

**Legal matters**

The department, on behalf of the Commonwealth, is party to matters before various courts. Costs may be awarded to or against the Commonwealth for these matters, subject to the Court's decisions. The potential costs or gains cannot be reliably estimated.

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**7.1B: Administered - Contingent Assets and Liabilities**

	Claims for damages or costs		Total	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
<b>Contingent assets</b>				
Balance from previous period	535	-	535	-
New contingent assets recognised	1,874	535	1,874	535
Re-measurement	(260)	-	(260)	-
Assets realised	(254)	-	(254)	-
<b>Total contingent assets</b>	<b>1,895</b>	<b>535</b>	<b>1,895</b>	<b>535</b>
<b>Contingent liabilities</b>				
Balance from previous period	2	-	2	-
New contingent liabilities recognised	-	2	-	2
Re-measurement	(1)	-	(1)	-
Liabilities realised	(1)	-	(1)	-
<b>Total contingent liabilities</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>2</b>
<b>Net contingent assets</b>	<b>1,895</b>	<b>533</b>	<b>1,895</b>	<b>533</b>

**Quantifiable Contingencies**

**Contingent Assets**

As at 30 June 2022, there are seven insurance claims submitted to recover costs for damage to properties and infrastructure on Cocos (Keeling) Island, Jervis Bay Territory and Christmas Island (2021: three). The claim is contingent on acceptance by the department's insurer.

**Contingent Liabilities**

As at 30 June 2022, there are no known instances of non-remote quantifiable contingent liabilities (2021: three). The claims from the previous year were settled during the year.

**Unquantifiable Administered Contingent Liabilities**

**Asbestos Remediation Costs**

The department maintains registers of Australian Government owned properties in the Indian Ocean Territories, Jervis Bay Territory and Norfolk Island where materials containing asbestos have been identified. Asbestos management plans are in place for these properties that include ongoing monitoring and removal or encapsulation of materials containing asbestos where necessary. The department may incur remediation costs in the future if conditions change, such as through damage or renovation. There is uncertainty around the timing of any future cash outflows if such remediation is undertaken.

**Remote unquantifiable contingent liabilities**

The department, on behalf of the Australian Government, has entered into the following indemnities and arrangements which are considered significant in nature and were disclosed in the *2022-23 Budget Paper No. 1*. The probability the department will incur costs as a result of these arrangements is considered remote and no claims have been identified at 30 June 2022.

**Australian Maritime Safety Authority Incident Costs**

In the normal course of operations, the Australian Maritime Safety Authority (AMSA) is responsible for the provision of funds necessary to meet the clean-up costs arising from ship-sourced marine pollution and, in all circumstances, is responsible for making appropriate efforts to recover the costs of any such incidents. The Australian Government has a constructive obligation to meet costs that cannot be recovered from such incidents. It is not possible to estimate the amounts of any eventual payments that may be required in relation to these incident costs. AMSA maintains a separate pollution response funding capability to meet such unplanned expenditure.

**Moorebank Intermodal Terminal – Indemnities**

Indemnities have been provided in connection with the development of the Moorebank Intermodal Terminal, including:

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- (a) costs and liabilities that may be incurred by the State of NSW arising under the *Native Title Act 1993 (Cth)* associated with the construction of a rail bridge over the Georges River to the Moorebank Intermodal Terminal
- (b) costs that may be incurred by National Intermodal Corporation Limited in the event the Commonwealth terminates the funding agreement between the Commonwealth and National Intermodal Corporation Limited for reasons other than a breach by National Intermodal Corporation Limited, and
- (c) costs and liabilities incurred by the private sector owner of the Glenfield Waste Site for any easement for the rail spur across the Glenfield Waste Site, to the extent such costs or liabilities are caused, or contributed to, by the Commonwealth or its agents.

#### WSA Co Limited - Indemnities

Indemnities have been provided in connection with the establishment of WSA Co, including:

- (a) protection for Directors of WSA Co Limited against certain claims relating to their employment as Directors. Unless the indemnity agreements are varied or brought to an end, they cease to apply from the date the Commonwealth has fully satisfied its obligations to subscribe for equity to WSA Co pursuant to the WSA Co Equity Subscription Agreement
- (b) liabilities that may be incurred by WSA Co Limited related to the integration of the Sydney Metro Western Sydney Airport project (delivered by the New South Wales Government) with the Western Sydney International (Nancy-Bird Walton) Airport, to the extent such liabilities are established in the Airport Rail Integration Deed
- (c) liabilities and costs that may be incurred by WSA Co in the event the Commonwealth terminates the Equity Subscription Agreement between WSA Co and the Commonwealth.

#### Optus Financial Guarantee

The Australian Government has provided a guarantee in respect of NBN Co's financial obligations to Optus Networks Pty Ltd, Optus Internet Pty Limited, Optus Vision Media Pty Limited and SingTel Optus Pty Ltd (collectively, Optus) under the Optus HFC Subscriber Agreement (the Agreement). An amended version of the Agreement came into effect on 22 January 2019. The Guarantee continues to apply to that Agreement. The Agreement extends for the period of the National Broadband Network roll out in Optus Hybrid Fibre Coaxial (HFC) areas. The Australian Government is only liable in the event NBN Co does not pay an amount when due under the Agreement. As at 30 June 2022, NBN Co had generated liabilities covered by the Agreement which are estimated at an amount less than \$50 million. There is a low risk a claim would be made under the Guarantee.

#### Telstra Financial Guarantee

The Australian Government has provided Telstra Corporation Limited (Telstra) a guarantee in respect of NBN Co's financial obligations under the Definitive Agreements. The Agreements were amended on 14 December 2014. The Guarantee was not amended at that time. It continues in force in accordance with its terms in respect of the amended Definitive Agreements. The liabilities under the Definitive Agreements between Telstra and NBN Co arise progressively during the roll out of the National Broadband Network as Telstra's infrastructure is accessed and Telstra's customers are disconnected from its copper and Hybrid Fibre Coaxial cable networks. The Australian Government is only liable in the event NBN Co does not pay an amount when due under the Definitive Agreements. As at 30 June 2022, NBN Co had generated liabilities covered by the Guarantee estimated at \$10.2 billion. The Guarantee will terminate when NBN Co achieves specified credit ratings for a period of two continuous years and either:

- the company is capitalised by the Commonwealth to the agreed amount or
- the Communications Minister declares, under the *National Broadband Network Companies Act 2011*, that, in their opinion, the National Broadband Network should be treated as built and fully operational.

#### Inland Rail – Termination of the Equity Financing Agreement

The Australian Government will provide sufficient funding to cover all costs and liabilities incurred by the Australian Rail Track Corporation (ARTC) for delivery of Inland Rail in the event the Commonwealth terminates the Equity Financing Agreement between the Commonwealth and the ARTC.

#### New South Wales Rural Fire Fighting Service - indemnity

The New South Wales Rural Fire Service (NSW RFS) provides fire-fighting services in the Jervis Bay Territory (JBT). Due to the cross-border delivery of fire services from NSW to the JBT, the NSW RFS requires the Australian Government to provide an uncapped indemnity whereby the Australian Government would be liable for any damages, arising in good faith, from the provision of the agreed scope of fire management services. The likelihood of an event occurring that may result in a liability for the Australian Government has been assessed as remote. Risks are mitigated through the training and professional qualifications of NSW RFS staff.

#### Potential per- and polyfluoroalkyl substances contamination

The department has identified a number of sites in Australia potentially contaminated with per- and polyfluoroalkyl substances (PFAS) previously contained in firefighting foams.

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The identified contaminants do not naturally break down in the environment and several have been listed on the Stockholm Convention as persistent contaminants. Australian health and environmental agencies have set a range of standards for environmental protection and precautionary health measures.

Up to 37 airport sites are potentially contaminated with PFAS (20 federally leased airports and 17 regional airports) relating to the Commonwealth provision of firefighting services. The department is undertaking PFAS investigations at these airports to understand the risks and develop corresponding management plans for any identified PFAS contamination. Airservices Australia (Airservices) is also implementing a national PFAS management program, which includes PFAS investigations at 21 airport sites. The costs of potential long-term management options cannot be quantified at this time.

For federally leased airports, Airport Lessee Companies (ALCs) are responsible for environmental management of their airport sites. Airport leases indemnify the Commonwealth in relation to damages or injury to the environment, including in respect of costs and claims arising due to such damages or injury. Nevertheless, in certain circumstances, in relation to some airports, where the Commonwealth provided firefighting services (in particular those not leased under the *Airports Act 1996*), such liability (if any) could rest with the Commonwealth.

A number of ALCs have requested the Airport Environment Officer (AEO) issue remediation orders to Airservices for PFAS contamination under the Airports (Environment Protection) Regulations 1997. AEOs are actively considering regulatory action at Brisbane, Launceston, Moorabbin and Melbourne Airports.

Brisbane Airport Corporation and Australia Pacific Airports Launceston (APAL) have commenced legal proceedings, in the Queensland Supreme Court and Federal Court respectively, against Airservices in relation to legacy PFAS contamination from Airservices' firefighting activities at the airports. Potential costs to be incurred by the department in relation to this matter are unquantifiable.

*Service Delivery Arrangement Indemnities — Indian Ocean Territories, Jervis Bay Territory and Norfolk Island*  
The Australian Government has been entering into Service Delivery Arrangements with the Western Australian (WA) Government for the provision of services to the Indian Ocean Territories of Christmas Island and the Cocos (Keeling) Islands since 1992. The Australian Government has provided certain indemnities for the WA Government, their respective officers, agents, contractors and employees against civil claims relating to their employment and conduct as officers.

The Queensland (QLD) Government has provided a range of services to the Norfolk Island community through an Intergovernmental Agreement since 1 January 2022. The Australian Government has provided certain indemnities for the State of QLD and its state bodies and officials in respect of the delivery of services to the Norfolk Island community.

The Australian Capital Territory (ACT) Government provides a number of services to the Jervis Bay Territory under Memoranda of Understanding. The Australian Government has provided certain indemnities for the ACT Government authorities and officials in respect of the delivery of services to the Jervis Bay Territory.

The likelihood of an event occurring that may result in a liability for the Australian Government has been assessed as remote and the risks are currently mitigated through the training and professional qualifications of the staff of these entities.

#### *Tripartite deeds relating to the sale of federal leased airports*

The tripartite deeds between the Australian Government, the airport lessee company and financiers, amend airport (head) leases to provide for limited step-in rights for financiers in circumstances where the Australian Government terminates the head lease to enable the financiers to correct the circumstances that triggered such a termination event. The tripartite deeds may require the Australian Government to pay financiers compensation as a result of terminating the (head) lease, once all Australian Government costs have been recovered. The Australian Government's contingent liabilities are considered to be unquantifiable and remote.

#### **Accounting Policy**

##### *Contingent Assets and Contingent Liabilities*

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position or Administered Schedule of Assets and Liabilities but are reported in the notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

##### **Accounting Judgements and Estimates**

##### *Indemnities and/or guarantees*

The maximum amounts payable under the indemnities given is disclosed above. At the time of completion of the financial statements, there was no reason to believe the indemnities and/or guarantees would be called upon, and no recognition of any liability was therefore required.



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**7.2 Financial Instruments**

	2022	2021
	\$'000	\$'000

**7.2A: Categories of Financial Instruments**

**Financial assets at amortised cost**

Cash and cash equivalents	17,339	12,100
Trade receivables	3,797	2,615
Accrued revenue	3,431	582
Other receivables	55	14
<b>Total financial assets at amortised cost</b>	<b>24,622</b>	<b>15,311</b>
<b>Total financial assets</b>	<b>24,622</b>	<b>15,311</b>

**Financial Liabilities**

**Financial liabilities measured at amortised cost**

Trade creditors	1,956	2,534
Accrued expenses	26,210	28,569
<b>Total financial liabilities measured at amortised cost</b>	<b>28,166</b>	<b>31,103</b>
<b>Total financial liabilities</b>	<b>28,166</b>	<b>31,103</b>

The carrying value of financial assets and liabilities is a reasonable approximation of fair value.

**7.2B: Net Gains or Losses on Financial Assets**

**Financial assets at amortised cost**

Reversal of Impairment	142	154
Foreign exchange	1	6
<b>Net gains on financial assets at amortised cost</b>	<b>143</b>	<b>154</b>
<b>Net gains on financial assets</b>	<b>143</b>	<b>154</b>

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**Financial assets**

The department classifies its financial assets in the following categories:

- a) financial assets at fair value through other comprehensive income, and
- b) financial assets measured at amortised cost.

The classification depends on both the department'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 department becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognise 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 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 rate 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 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 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.

**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 or remains low.

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 'financial liabilities at amortised cost'. Financial liabilities are recognised and derecognised upon 'trade date'.

**Financial liabilities at amortised cost**

Financial liabilities, including borrowings and concessional loan commitments, 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 that the goods or services have been received (and irrespective of having been invoiced).

All payables are expected to be settled within 12 months except where indicated.

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**7.3 Administered – Financial Instruments**

	2022 \$'000	2021 \$'000
<b>7.3A: Categories of Financial Instruments</b>		
<b>Financial assets at amortised cost</b>		
Cash and cash equivalents	50,039	41,989
Loan to NBN Co Limited	6,374,612	13,198,999
Other loans	2,717,721	2,140,510
Contract Assets	6,778	2,870
Accrued revenue	-	3,575
<b>Total financial assets at amortised cost</b>	<b>9,149,150</b>	<b>15,387,943</b>
<b>Financial assets at fair value through other comprehensive income</b>		
Investments	38,601,862	35,724,643
<b>Total financial assets at fair value through other comprehensive income</b>	<b>38,601,862</b>	<b>35,724,643</b>
<b>Total financial assets</b>	<b>47,751,012</b>	<b>51,112,586</b>
<b>Financial Liabilities</b>		
<b>Financial liabilities measured at amortised cost</b>		
Suppliers payable	338,561	353,698
Subsidies payable	44,675	100,306
Grants payable	145,219	94,662
Loan commitment provision	271,361	-
<b>Total financial liabilities measured at amortised cost</b>	<b>799,816</b>	<b>548,666</b>
<b>Total financial liabilities</b>	<b>799,816</b>	<b>548,666</b>
The carrying value of financial assets and liabilities is a reasonable approximation of fair value.		
<b>7.3B: Net Gains and Losses on Financial Assets</b>		
<b>Financial assets at amortised cost</b>		
Interest revenue earned on:		
Loan to NBN Co Limited	336,032	690,633
Other loans	128,399	100,163
Concessional loan discount expense	(82,880)	-
Impairment	(31,372)	2,078
<b>Net gains on financial assets at amortised cost</b>	<b>350,179</b>	<b>792,874</b>
<b>Financial assets at fair value through other comprehensive income</b>		
Dividend revenue	124,086	126,441
Gains recognised in other comprehensive income	1,349,924	2,485,332
<b>Net gains on financial assets at fair value through other comprehensive income</b>	<b>1,474,010</b>	<b>2,611,773</b>
<b>Net gains/(losses) on financial assets</b>	<b>1,824,189</b>	<b>3,404,647</b>

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**7.3C: Fair Value of Financial Instruments**

The department considers that the carrying amounts reported in the Administered Schedule of Assets and Liabilities are a reasonable approximation of the fair value of these financial assets and liabilities.

**7.3D: Credit Risk**

The administered activities exposed to credit risk mainly relate to loans issued by the NAIF corporate Commonwealth entity, loans to commercial entities and other receivables.

The department assessed expected credit losses on loans and receivables and made an allowance for impairment, where appropriate. The department considered whether the credit risk of loans has increased significantly based on assessments of budget papers for state government entities, compliance with loan conditions, reports from credit rating agencies (where available) and other publicly available information, including benchmarking against published default rates for entities with similar credit ratings. The department has drawn upon the subject matter expertise of various other parties in conducting the risk assessments.

The carrying amount of financial assets are considered to best represent the maximum exposure to credit risk.

**7.3E: Liquidity Risk**

The department's administered financial liabilities were trade creditors, subsidies payable and grants payable.

The department's administered activities were funded primarily by appropriation from the Australian Government. The department manages its budgeted administered funds to ensure that it has adequate funds to meet payments as they fall due. In addition, the department has policies in place to ensure timely payments are made when due and has no past experience of default.

**Maturities for non-derivative financial liabilities in 2022**

	On demand	Within 1 year	Between 1 to 2 years	Between 2 to 5 years	More than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Trade creditors and accruals	-	338,561	-	-	-	338,561
Subsidies payable	-	44,675	-	-	-	44,675
Grants payable	-	145,219	-	-	-	145,219
Loan commitment provision	-	271,361	-	-	-	271,361
<b>Total</b>	-	<b>799,816</b>	-	-	-	<b>799,816</b>

**Maturities for non-derivative financial liabilities in 2021**

	On demand	Within 1 year	Between 1 to 2 years	Between 2 to 5 years	More than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Trade creditors and accruals	-	353,698	-	-	-	353,698
Subsidies payable	-	100,306	-	-	-	100,306
Grants payable	-	94,662	-	-	-	94,662
<b>Total</b>	-	<b>548,666</b>	-	-	-	<b>548,666</b>

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**7.3F: Market Risk**

The department held basic financial instruments that did not expose the Department to certain market risks such as 'Currency risk' or 'Other price risk'.

**Interest rate risk**

The department is exposed to interest rate risk primarily from administered investments that are valued using the discounted cash flow method. The only interest-bearing items on the statement of financial position were 'loans to State and Territory Governments' and 'NAIF loans'. All of these loans bear interest at a fixed interest rate and their values did not fluctuate due to changes in the market interest rate.

The below sensitivity analysis has been arrived at via adjusting the selected discount rate in isolation of other factors such as cash flows and other assumptions.

**Sensitivity analysis of the risk that the Department is exposed to for 2022**

	Risk Variable	Change in risk variable	Effect on	
			Net cost of services	Equity
			%	\$'000
<b>Administered investments using discounted cash flows</b>	<b>Discount rate</b>	<b>(+0.79%)</b>	-	<b>(4,155,290)</b>
<b>Administered investments using discounted cash flows</b>	<b>Discount rate</b>	<b>(-0.79%)</b>	-	<b>4,199,479</b>

**Sensitivity analysis of the risk that the Department was exposed to for 2021**

	Risk Variable	Change in risk variable	Effect on	
			Net cost of services	Equity
			%	\$'000
Administered investments using discounted cash flows	Discount rate	(+0.74%)	-	(3,430,575)
Administered investments using discounted cash flows	Discount rate	(-0.74%)	-	4,267,447

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**7.4 Administered – Fair Value Measurement**

The following tables provide an analysis of assets and liabilities that are measured at fair value. The remaining assets and liabilities disclosed in the Statement of Financial Position do not apply the fair value hierarchy.

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 department 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.

**7.4A: Fair Value Measurement**

	Fair value measurements at the end of the reporting period		Category (Level 1, 2 or 3)	Valuation Technique(s) and Inputs Used
	2022	2021		
	\$'000	\$'000		
<b>Financial assets</b>				
Biodiversity offset credits at fair value through profit and loss	77,577	75,641	1	Market value of equivalent ecosystem or species credits
Investments accounted for using the net assets method	14,038,062	12,449,543	3	Net assets of entities at balance date, proportionate of the Australian Government's interest.
Investment in NBN Co Limited	19,700,000	18,000,000	3	Present value of future cash flows discounted at a rate of return that would be expected by a market participant in determining a purchase price.
Other Investments accounted for using the discounted cashflow method	4,863,800	5,275,100	3	Present value of future net cash flows discounted at the weighted average cost of capital.
<b>Total financial assets</b>	<b>38,679,439</b>	<b>35,800,284</b>		
<b>Non-financial assets</b>				
Land <sup>1</sup>	180	300,266	2	Market value of similar assets as determined by an independent qualified valuer.
Land	75,971	31,880	3	Estimated market value of similar assets as determined by an independent qualified valuer.
Buildings	5,150	38,946	2	Market value of similar assets as determined by an independent qualified valuer.
Buildings	143,165	100,826	3	Current replacement cost as determined by an independent qualified valuer.
Artwork	5,472	35,596	2	Market value of similar assets as determined by an independent qualified valuer.
Artworks	33,185	-	3	Estimated market value of similar assets as determined by an independent qualified valuer.
Heritage and Cultural	33,658	43,057	2	Market value of similar assets as determined by an independent qualified valuer.
Heritage and Cultural	113,261	95,216	3	Current replacement cost as determined by an independent qualified valuer.
Other property, plant and equipment	347	406	2	Market value of similar assets as determined by an independent qualified valuer.

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Other property, plant and equipment	<b>492,501</b>	447,445	3	Current replacement cost as determined by an independent qualified valuer.
Intangibles - Phosphate mine lease	<b>3,970</b>	5,833	3	Present value of future royalty cash flows as determined by an independent qualified valuer.
<b>Total non-financial assets</b>	<b>906,860</b>	<u>1,099,471</u>		
<b>Total assets</b>	<b>39,586,299</b>	<u>36,899,755</u>		

<sup>1</sup> Includes asset held for sale on 30 June 2021 relating to the land at Bringelly in Western Sydney, subsequently sold to the NSW Government in 2021-22.

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**7.4B: Reconciliation for Recurring Level 3 Fair Value Measurements**

	Financial assets		Land		Buildings		Artwork		Non-financial assets		Intangibles -	
	Investments accounted for using the net assets method	Investments accounted for using the discounted cash flow method	2021	2022	2021	2022	2021	2022	Heritage and Cultural	Other property, plant and equipment	Phosphate mine leases	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July</b>	<b>12,449,543</b>	<b>23,275,100</b>	<b>12,161,857</b>	<b>31,880</b>	<b>100,826</b>	<b>100,826</b>	<b>105,951</b>	<b>96,067</b>	<b>447,445</b>	<b>471,641</b>	<b>5,833</b>	<b>6,998</b>
Total gains/(losses) recognised in net cost of services <sup>1</sup>	-	-	-	-	(9,548)	(7,716)	-	(2,618)	(36,766)	(44,289)	(1,167)	(1,165)
Total gains/(losses) recognised in other comprehensive income <sup>2</sup>	824,719	525,202	(413,529)	9,376	12,705	-	2,790	4,111	-	64,815	(696)	-
Purchases	763,800	763,498	701,215	-	3,604	3,594	-	1,613	3,213	17,059	-	-
Transfers into Level 3	-	-	-	34,715	35,138	-	30,395	14,939	-	-	-	-
Other	-	-	-	-	440	(1,003)	-	(1,602)	(52)	(589)	-	-
<b>Total as at 30 June</b>	<b>14,038,062</b>	<b>24,563,800</b>	<b>12,449,543</b>	<b>75,971</b>	<b>143,165</b>	<b>100,826</b>	<b>33,185</b>	<b>113,261</b>	<b>492,501</b>	<b>447,445</b>	<b>3,970</b>	<b>5,833</b>
<b>Changes in unrealised gains/(losses) recognised in net cost of services</b>	<b>1,588,519</b>	<b>1,288,700</b>	<b>287,686</b>	<b>44,091</b>	<b>(42,339)</b>	<b>(5,125)</b>	<b>33,185</b>	<b>(851)</b>	<b>45,056</b>	<b>(24,196)</b>	<b>(1,863)</b>	<b>(1,165)</b>

1. These gains and losses are presented in the Schedule of Comprehensive Income under depreciation and amortisation expenses and write-down and impairment of other assets.  
2. These gains and losses are presented in the Schedule of Comprehensive Income under changes in asset revaluation reserve.



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## 8. Other Information

### 8.1 Current/Non-current Distinction for Assets and Liabilities

	2022	2021
	\$'000	\$'000

#### 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	17,339	12,100
Trade and other receivables	161,336	155,650
Accrued revenue	3,431	582
Other non-financial assets	6,354	3,312

##### Total no more than 12 months

	188,460	171,644
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##### More than 12 months

Buildings	113,261	135,564
Heritage and cultural	42,516	36,107
Property, plant and equipment	20,318	18,804
Intangibles	53,563	40,341
Other non-financial assets	1,364	1,654

##### Total more than 12 months

	231,022	232,470
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##### Total assets

	419,482	404,114
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##### Liabilities expected to be settled in:

##### No more than 12 months

Suppliers	28,166	31,103
Other payables	13,206	9,874
Leases	19,913	19,823
Employee provisions	19,346	18,468
Other provisions	-	681

##### Total no more than 12 months

	80,631	79,949
--	--------	--------

##### More than 12 months

Leases	78,235	95,291
Employee provisions	51,273	50,925
Other provisions	631	32

##### Total more than 12 months

	130,139	146,248
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##### Total liabilities

	210,770	226,197
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**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

	2022	2021
	\$'000	\$'000
<b>8.1B: Administered - Current/Non-current Distinction for Assets and Liabilities</b>		
<b>Assets expected to be recovered in:</b>		
<b>No more than 12 months</b>		
Cash and cash equivalents	50,039	41,989
Trade and other receivables	125,340	70,899
Other financial assets	77,577	79,216
Inventories	3,067	2,632
Prepayments	3,078	3,071
Asset held for sale	-	265,390
<b>Total no more than 12 months</b>	<b>259,101</b>	<b>463,197</b>
<b>More than 12 months</b>		
Investments	38,601,862	35,724,643
Trade and other receivables	9,078,795	15,339,507
Land and buildings	224,466	206,528
Heritage and cultural	185,576	173,869
Property, plant and equipment	492,848	447,851
Intangibles	4,407	6,766
<b>Total more than 12 months</b>	<b>48,587,954</b>	<b>51,899,164</b>
<b>Total assets</b>	<b>48,847,055</b>	<b>52,362,361</b>
<b>Liabilities expected to be settled in:</b>		
<b>No more than 12 months</b>		
Suppliers	338,561	353,698
Subsidies	44,675	100,306
Grants	145,219	94,662
Other payables	3,897	3,578
Employee provisions	1,174	1,260
Loan commitment provision	180,941	-
Other provisions	809,524	413,840
<b>Total no more than 12 months</b>	<b>1,523,991</b>	<b>967,344</b>
<b>More than 12 months</b>		
Other payables	4,176	5,705
Employee provisions	2,726	2,945
Loan commitment provision	90,420	-
<b>Total more than 12 months</b>	<b>97,322</b>	<b>8,650</b>
<b>Total liabilities</b>	<b>1,621,313</b>	<b>975,994</b>

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**8.2 Assets Held in Trust**

**Monetary assets**

Monetary assets held in trust are also disclosed in Note 5.2A - Special Accounts in the tables titled 'Services for Other Entities and Trust Moneys.'

The Trust accounts are for moneys received from other Government and non-agency bodies, or moneys which are required to be held in trust for the benefit of a person other than the Commonwealth.

These monies are not available for other purposes of the Department and are not recognised in the financial statements.

	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
<b>Services to Other Entities and Trust Moneys - Department of Infrastructure, Transport, Regional Development and Communications</b>		
<b>As at 1 July</b>	<b>534</b>	108
Receipts	<b>6</b>	426
Payments	<b>(1)</b>	-
<b>Total as at 30 June</b>	<b>539</b>	534
<b>Total assets held in trust</b>	<b>539</b>	534

The department has no non-monetary assets held in trust as at 30 June 2022 (2021: Nil).

**DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**8.3 Restructuring**

**8.3A: Departmental Restructuring**

	2022	2021
	\$'000	\$'000
Northern Australia policy and coordination		
Department of Industry, Science, Energy and Resources <sup>1</sup>		
<b>FUNCTION ASSUMED</b>		
<b>Assets recognised</b>		
Appropriation receivable	668	-
<b>Total financial assets</b>	<b>668</b>	<b>-</b>
<b>Total assets recognised</b>	<b>668</b>	<b>-</b>
<b>Liabilities recognised</b>		
<b>Provisions</b>		
Employee provisions	668	-
<b>Total liabilities recognised</b>	<b>668</b>	<b>-</b>
<b>Net assets/(liabilities) recognised</b>	<b>-</b>	<b>-</b>
<b>Income</b>		
Recognised by the receiving entity	7,108	-
Recognised by the losing entity	650	-
<b>Total income</b>	<b>7,758</b>	<b>-</b>
<b>Expenses</b>		
Recognised by the receiving entity	7,108	-
Recognised by the losing entity	650	-
<b>Total expenses assumed</b>	<b>7,758</b>	<b>-</b>

<sup>1</sup> The Northern Australia policy and coordination functions were transferred from the Department of Industry, Science, Energy and Resources following amendments to the Administrative Arrangements Order on 2 July 2021. The effective date for the transfer was 1 September 2021.

DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

<b>8.3B: Administered Restructuring</b>		
	2022	2021
	\$'000	\$'000
<b>Northern Australia policy and coordination</b>		
<b>Department of Industry, Science, Energy and Resources<sup>1</sup></b>		
<b>FUNCTIONS ASSUMED</b>		
<b>Assets recognised</b>		
Trade and other receivables	269,492	-
Investments	5,189	-
<b>Total assets recognised</b>	<b>274,681</b>	<b>-</b>
<b>Liabilities recognised</b>		
Loan commitment provision	291,115	-
<b>Total liabilities recognised</b>	<b>291,115</b>	<b>-</b>
<b>Net assets/(liabilities) assumed</b>	<b>(16,434)</b>	<b>-</b>
Investments reserve	(5,189)	-
<b>Total restructuring</b>	<b>(21,623)</b>	<b>-</b>
<b>Income</b>		
Recognised by the receiving entity	38,085	-
Recognised by the losing entity	-	-
<b>Total income assumed</b>	<b>38,085</b>	<b>-</b>
<b>Expenses</b>		
Recognised by the receiving entity	141,798	-
Recognised by the losing entity	4,740	-
<b>Total expenses assumed</b>	<b>146,538</b>	<b>-</b>

<sup>1</sup> The Northern Australia policy and coordination functions were transferred from the Department of Industry, Science, Energy and Resources following amendments to the Administrative Arrangements Order on 2 July 2021. The effective date for the transfer was 1 September 2021.





# PART 6

## Appendices

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# Appendix A: Resource statements and expenses for outcomes

Table A.1 Entity resource statement

		Actual available appropriation <sup>1</sup> for 2021–22 \$'000	Payments made 2021–22 \$'000	Balance remaining 2021–22 \$'000
<b>Departmental</b>				
Annual appropriations – ordinary annual services <sup>2</sup>		599,825	419,662	180,163
Departmental capital budget		20,989	28,985	(7,996)
<b>Total departmental annual appropriations<sup>3</sup></b>	<b>A</b>	<b>620,814</b>	<b>448,647</b>	<b>172,167</b>
<b>Special accounts</b>				
Opening balance		6,591		
Appropriation receipts		4,046		
Non-appropriation receipts		5,038		
<b>Total special accounts receipts</b>	<b>B</b>	<b>15,675</b>	<b>–</b>	
Payments made	<b>C</b>		8,887	
<b>Total available Special Accounts</b>				<b>6,788</b>
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<b>D</b>	(4,046)	(4,046)	
<b>Total departmental resourcing</b>	<b>A+B+C+D</b>	<b>632,443</b>	<b>453,488</b>	
<b>Administered<sup>4</sup></b>				
<b>Annual appropriations – ordinary annual services<sup>2</sup></b>				
Prior year appropriations available		2,539,520	1,481,253	
Outcome 1		346,788	169,911	
Outcome 2		1,104,484	689,614	
Outcome 3		637,924	53,339	
Outcome 4		175,709	165,280	



		Actual available appropriation <sup>1</sup> for 2021–22 \$'000	Payments made 2021–22 \$'000	Balance remaining 2021–22 \$'000
Outcome 5		309,369	537,518	
Outcome 6		430,263	365,886	
Administered Capital Budget <sup>5</sup>		17,758	18,331	
Payments to corporate entities <sup>6</sup>		2,116,638	2,118,140	
<b>Total annual appropriations – ordinary annual services</b>		<b>7,678,453</b>	<b>5,599,271</b>	<b>2,079,182</b>
<b>Other services – non operating</b>				
Prior year appropriations available		1,898,286	471,210	
Administered assets and liabilities		2,065,192	984,310	
Administered assets and liabilities – Payments to corporate entities <sup>6</sup>		75,717	75,520	
<b>Total other services – non operating</b>		<b>4,039,195</b>	<b>1,531,040</b>	<b>2,508,155</b>
<b>Other services – specific payments to states, ACT, NT and local government</b>				
Outcome 1		499,495	499,495	
Outcome 3		991,227	631,422	
<b>Total other services – specific payments to states, ACT, NT and local government</b>		<b>1,490,722</b>	<b>1,130,918</b>	<b>359,804</b>
<b>Total administered annual appropriations</b>	<b>A</b>	<b>13,208,370</b>	<b>8,261,229</b>	<b>4,947,141</b>
<b>Total available administered special appropriations</b>	<b>B</b>		<b>4,162,370</b>	
<b>Special Accounts</b>				
Opening balance		41,785		
Appropriation receipts <sup>7</sup>		96,454		
Non-appropriation receipts <sup>8</sup>		260,282		
<b>Total special accounts receipts</b>	<b>C</b>	<b>398,521</b>	<b>–</b>	
Payments made			<b>349,455</b>	
<b>Total available special accounts</b>				<b>49,066</b>

		Actual available appropriation <sup>1</sup> for 2021–22 \$'000	Payments made 2021–22 \$'000	Balance remaining 2021–22 \$'000
<b>Total resourcing and payments</b>		<b>13,606,891</b>	<b>12,773,054</b>	
<i>less administered appropriations drawn from annual/special appropriations and credited to special accounts</i>	D	(338,194)	(96,454)	
<i>less payments to corporate entities from annual/special appropriations</i>	E	(2,403,406)	(2,872,104)	
<b>Total administered resourcing</b>	<b>A+B+ C+D+ E</b>	<b>10,865,291</b>	<b>9,804,496</b>	
<b>Total resourcing and payments<sup>9</sup></b>		<b>11,497,734</b>	<b>10,257,984</b>	

- 1 Figures in the table represent actual appropriations provided less any legally recognised reductions as outlined in Note 5.1B of the 2021–22 Financial Statements.
- 2 Appropriation Act (No. 1) 2021–22 and Appropriation Act (No. 3) 2021–22.
- 3 Actual available appropriations for 2021–22 include prior year departmental appropriation and s74 relevant entity receipts.
- 4 Actual available appropriations for 2021–22 include retained administered funds from previous years.
- 5 Administered capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items.
- 6 'Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the PGPA Act.
- 7 Appropriation receipts from departmental and administered appropriations.
- 8 Non-Appropriation receipts from the Public Interest Telecommunications Services Special Account, Regional Broadband Scheme Special Account, Christmas Island Phosphate Mining Rehabilitation Special Account, Indian Ocean Territories Special Account 2014 and Jervis Bay Territory Special Account 2014.
- 9 Total resourcing excludes the actual available appropriation for all special appropriations.

Table A.2 Expenses for Outcome 1: Improved infrastructure across Australia through investment in and coordination of transport and other infrastructure

	Budget <sup>1</sup> 2021–22 \$'000	Actual expenses 2021–22 \$'000	Variation 2021–22 \$'000
<b>Program 1.1: Infrastructure Investment</b>			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	336,836	228,124	108,712
Other services (Appropriation Acts No.2 and No.4)	498,887	499,495	(608)
Payments to corporate entities	12,853	12,853	–
Expenses not requiring appropriation in the Budget year <sup>2</sup>	101,145	76,387	24,758
<b>Total for Program 1.1</b>	<b>949,721</b>	<b>816,859</b>	<b>132,862</b>
<b>Outcome 1 Total</b>	<b>949,721</b>	<b>816,859</b>	<b>132,862</b>
<b>Outcome 1 totals by appropriation type</b>			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	336,836	228,124	108,712
Other Services (Appropriation Acts No.2 and No.4)	498,887	499,495	(608)
Payments to corporate entities	12,853	12,853	–
Expenses not requiring appropriation in the Budget year <sup>2</sup>	101,145	76,387	24,758
Departmental expenses			
Departmental appropriation <sup>3</sup>	76,501	60,852	15,649
s74 External Revenue	2,183	4,036	(1,853)
Expenses not requiring appropriation in the Budget year <sup>4</sup>	1,471	3,170	(1,699)
<b>Total expenses for Outcome 1</b>	<b>1,029,876</b>	<b>884,917</b>	<b>144,959</b>
<b>Average staffing level (number)</b>	272	317	(45)

1 Budget figures are based on the 2022–23 Portfolio Budget Statements published in March 2022.

2 Administered Expenses not requiring appropriation in the Budget year comprises of expenses relating to concessional loans, payments made from prior year appropriations and other non-cash expenses.

3 Departmental appropriation includes Ordinary annual services (Appropriation Acts No.1 and No.3).

4 Departmental Expenses not requiring appropriation in the Budget year relates to depreciation and amortisation expenses.

Table A.3 Expenses for Outcome 2: An efficient, sustainable, competitive, safe and secure transport system for all transport users through regulation, financial assistance and safety investigations

	Budget <sup>1</sup> 2021–22 \$'000	Actual expenses 2021–22 \$'000	Variation 2021–22 \$'000
<b>Program 2.1: Surface Transport</b>			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	239,154	222,446	16,708
Special appropriations	134,516	135,046	(530)
Payments to corporate entities	92,266	92,266	–
Expenses not requiring appropriation in the Budget year <sup>2</sup>	246	246	–
<b>Total for Program 2.1</b>	<b>466,182</b>	<b>450,005</b>	<b>16,177</b>
<b>Program 2.2: Road Safety</b>			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	8,500	7,647	853
Expenses not requiring appropriation in the Budget year <sup>2</sup>	358	464	(106)
<b>Total for Program 2.2</b>	<b>8,858</b>	<b>8,111</b>	<b>747</b>
<b>Program 2.3: Air Transport</b>			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	810,326	777,143	33,183
Special appropriations	85,300	85,319	(19)
Payments to corporate entities	122,082	122,082	–
Expenses not requiring appropriation in the Budget year <sup>2</sup>	197,549	166,777	30,772
<b>Total for Program 2.3</b>	<b>1,215,257</b>	<b>1,151,321</b>	<b>63,936</b>
<b>Outcome 2 Total</b>	<b>1,690,297</b>	<b>1,609,436</b>	<b>80,861</b>

	<b>Budget<sup>1</sup> 2021-22 \$'000</b>	<b>Actual expenses 2021-22 \$'000</b>	<b>Variation 2021-22 \$'000</b>
<b>Outcome 2 totals by appropriation type</b>			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	1,057,980	1,007,236	50,744
Special appropriations	219,816	220,366	(550)
Payments to corporate entities	214,348	214,348	–
Expenses not requiring appropriation in the Budget year <sup>2</sup>	198,153	167,487	30,666
Departmental expenses			
Departmental appropriation <sup>3</sup>	122,679	105,081	17,598
s74 External Revenue	3,502	6,475	(2,973)
Expenses not requiring appropriation in the Budget year <sup>4</sup>	2,360	4,644	(2,284)
<b>Total expenses for Outcome 2</b>	<b>1,818,838</b>	<b>1,725,636</b>	<b>93,202</b>
<b>Average staffing level (number)</b>	444	461	(17)

- 1 Budget figures are based on the 2022–23 Portfolio Budget Statements published in March 2022.
- 2 Administered Expenses not requiring appropriation in the Budget year comprises expenses relating to concessional loans, payments made from prior year appropriations and other non-cash expenses.
- 3 Departmental appropriation includes Ordinary annual services (Appropriation Acts No.1 and No.3).
- 4 Departmental Expenses not requiring appropriation in the Budget year relates to depreciation and amortisation expenses.

Table A.4 Expenses for Outcome 3: Strengthening the sustainability, capacity and diversity of Australia's cities and regions including through facilitating local partnerships between all levels of government and local communities; through investment in water infrastructure and measures that stimulate economic growth; and providing grants and financial assistance

	Budget <sup>1</sup> 2021–22 \$'000	Actual expenses 2021–22 \$'000	Variation 2021–22 \$'000
<b>Program 3.1: Regional Development</b>			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	606,074	451,052	155,022
Expenses not requiring appropriation in the Budget year <sup>2</sup>	124,166	104,409	19,757
<b>Total for Program 3.1</b>	<b>730,240</b>	<b>555,462</b>	<b>174,778</b>
<b>Program 3.2: Local Government</b>			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	818	–	818
Other services (Appropriation Acts No.2 and No.4)	933,979	617,676	316,303
Special appropriations	3,505,008	3,530,274	(25,266)
<b>Total for Program 3.2</b>	<b>4,439,805</b>	<b>4,147,950</b>	<b>291,855</b>
<b>Program 3.3: Cities</b>			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	300	624	(324)
Expenses not requiring appropriation in the Budget year <sup>2</sup>	679	368	311
<b>Total for Program 3.3</b>	<b>979</b>	<b>992</b>	<b>(13)</b>
<b>Program 3.4: Growing a Stronger Northern Australian Economy</b>			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	30,777	12,399	18,378
Payments to corporate entities	14,227	14,227	–
Expenses not requiring appropriation in the Budget year <sup>2</sup>	362,208	115,172	247,036
<b>Total for Program 3.4</b>	<b>407,212</b>	<b>141,798</b>	<b>265,414</b>
<b>Outcome 3 Total</b>	<b>5,578,236</b>	<b>4,846,201</b>	<b>732,035</b>

	<b>Budget<sup>1</sup> 2021–22 \$'000</b>	<b>Actual expenses 2021–22 \$'000</b>	<b>Variation 2021–22 \$'000</b>
<b>Outcome 3 totals by appropriation type</b>			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	637,969	464,075	173,894
Other services (Appropriation Acts No.2 and No.4)	933,979	617,676	316,303
Special appropriations	3,505,008	3,530,274	(25,266)
Payments to corporate entities	14,227	14,227	–
Expenses not requiring appropriation in the Budget year <sup>2</sup>	487,053	219,949	267,104
Departmental expenses			
Departmental appropriation <sup>3</sup>	66,342	78,930	(12,588)
s74 External Revenue	1,893	3,500	(1,607)
Expenses not requiring appropriation in the Budget year <sup>4</sup>	1,276	3,211	(1,935)
<b>Total expenses for Outcome 3</b>	<b>5,647,747</b>	<b>4,931,842</b>	<b>715,905</b>
<b>Average staffing level (number)</b>	299	279	20

1 Budget figures are based on the 2022–23 Portfolio Budget Statements published in March 2022.

2 Administered Expenses not requiring appropriation in the Budget year comprises of expenses relating to concessional loans, payments made from prior year appropriations and other non-cash expenses.

3 Departmental appropriation includes Ordinary annual services (Appropriation Acts No.1 and No.3).

4 Departmental Expenses not requiring appropriation in the Budget year relates to depreciation and amortisation expenses.

Table A.5 Expenses for Outcome 4: Good governance and service delivery in the Australian territories including through the maintenance and improvement of the laws and services for non-self-governing territories, and the overarching legislative framework for self-governing territories

	Budget <sup>1</sup> 2021–22 \$'000	Actual expenses 2021–22 \$'000	Variation 2021–22 \$'000
<b>Program 4.1: Services to Territories</b>			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	214,981	207,170	7,811
Special accounts	19,425	21,005	(1,580)
Expenses not requiring appropriation in the Budget year <sup>2</sup>	57,832	44,067	13,765
<b>Total for Program 4.1</b>	<b>292,238</b>	<b>272,242</b>	<b>19,996</b>
<b>Outcome 4 totals by appropriation type</b>			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	214,981	207,170	7,811
Special accounts	19,425	21,005	(1,580)
Expenses not requiring appropriation in the Budget year <sup>2</sup>	57,832	44,067	13,765
Departmental expenses			
Departmental appropriation <sup>3</sup>	31,165	23,869	7,296
s74 External Revenue	889	1,644	(755)
Expenses not requiring appropriation in the Budget year <sup>4</sup>	599	1,308	(709)
<b>Total expenses for Outcome 4</b>	<b>324,891</b>	<b>299,063</b>	<b>25,828</b>
<b>Average staffing level (number)</b>	125	126	(1)

1 Budget figures are based on the 2022–23 Portfolio Budget Statements published in March 2022.

2 Administered Expenses not requiring appropriation in the Budget year comprises of expenses relating to concessional loans, payments made from prior year appropriations and other non-cash expenses.

3 Departmental appropriation includes Ordinary annual services (Appropriation Acts No.1 and No.3).

4 Departmental Expenses not requiring appropriation in the Budget year relates to depreciation and amortisation expenses.



Table A.6 Expenses for Outcome 5: Promote an innovative and competitive communications sector, through policy development, advice and program delivery, so all Australians can realise the full potential of digital technologies and communications services

	Budget <sup>1</sup> 2021–22 \$'000	Actual expenses 2021–22 \$'000	Variation 2021–22 \$'000
<b>Program 5.1: Digital Technologies and Communications Services</b>			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	213,529	616,821	(403,292)
Special accounts	341,215	313,788	27,427
Payments to corporate entities	1,380,118	1,380,118	–
Expenses not requiring appropriation in the Budget year <sup>2</sup>	1,250,840	739,181	511,659
<b>Total for Program 5.1</b>	<b>3,185,702</b>	<b>3,049,909</b>	<b>135,793</b>
<b>Outcome 5 totals by appropriation type</b>			
Administered expenses			
Ordinary annual services (Appropriation Act No.1 and No.3)	213,529	616,821	(403,292)
Special accounts	341,215	313,788	27,427
Payments to corporate entities	1,380,118	1,380,118	–
Expenses not requiring appropriation in the Budget year <sup>2</sup>	1,250,840	739,181	511,659
Departmental expenses			
Departmental appropriation <sup>3</sup>	69,750	61,458	8,292
s74 External Revenue	1,991	3,681	(1,690)
Special accounts	4,046	4,046	–
Expenses not requiring appropriation in the Budget year <sup>4</sup>	1,341	3,240	(1,899)
<b>Total expenses for Outcome 5</b>	<b>3,262,830</b>	<b>3,122,334</b>	<b>140,496</b>
<b>Average staffing level (number)</b>	<b>366</b>	<b>308</b>	<b>58</b>

1 Budget figures are based on the 2022–23 Portfolio Budget Statements published in March 2022.

2 Administered Expenses not requiring appropriation in the Budget year comprises of expenses relating to concessional loans, payments made from prior year appropriations, Regional Broadband Scheme subsidies and other non-cash expenses.

3 Departmental appropriation includes Ordinary annual services (Appropriation Acts No.1 and No.3).

4 Departmental Expenses not requiring appropriation in the Budget year relates to depreciation and amortisation expenses.

Table A.7 Expenses for Outcome 6 : Participation in, and access to, Australia's art and culture through developing and supporting cultural expression

	Budget <sup>1</sup> 2021-22 \$'000	Actual expenses 2021-22 \$'000	Variation 2021-22 \$'000
<b>Program 6.1: Arts and Cultural Development</b>			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	475,252	422,785	52,467
Special accounts	500	500	-
Payments to corporate entities	495,092	495,092	-
Expenses not requiring appropriation in the Budget year <sup>2</sup>	18,839	21,464	(2,625)
<b>Total for Program 6.1</b>	<b>989,683</b>	<b>939,840</b>	<b>49,843</b>
<b>Outcome 6 totals by appropriation type</b>			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	475,252	422,785	52,467
Special accounts	500	500	-
Payments to corporate entities	495,092	495,092	-
Expenses not requiring appropriation in the Budget year <sup>2</sup>	18,839	21,464	(2,625)
Departmental expenses			
Departmental appropriation <sup>3</sup>	49,217	45,304	3,913
s74 External Revenue	1,405	2,598	(1,193)
Special accounts	5,270	5,094	176
Expenses not requiring appropriation in the Budget year <sup>4</sup>	947	2,468	(1,521)
<b>Total expenses for Outcome 6</b>	<b>1,046,522</b>	<b>995,304</b>	<b>51,218</b>
<b>Average staffing level (number)</b>	202	225	(23)

1 Budget figures are based on the 2022-23 Portfolio Budget Statements published in March 2022.

2 Administered Expenses not requiring appropriation in the Budget year comprises of expenses relating to concessional loans, payments made from prior year appropriations and other non-cash expenses.

3 Departmental appropriation includes Ordinary annual services (Appropriation Acts No.1 and No.3).

4 Departmental Expenses not requiring appropriation in the Budget year relates to depreciation and amortisation expenses.

# Appendix B: Audit and Risk Committee members

Table B.1 Members of the Audit and Risk Committee of the Department of Infrastructure, Transport, Regional Development and Communications

Member name and committee position	Qualifications, knowledge, skills or experience (include formal and informal as relevant)	Number of meetings attended/total number of meetings	Total annual remuneration (GST incl.)
<p><b>Mr Ian McPhee</b> <b>AO PSM</b></p> <p>Independent member (until 31 December 2021)</p> <p>Independent chair (from 1 January 2022)</p> <p>Independent chair, Financial Statements Sub-Committee (FSSC) (until 1 December 2021)</p> <p>Independent member FSSC (from 1 January 2022)</p>	<p>Mr McPhee was the Auditor-General for Australia from 2005 to 2015 and was a former Deputy Secretary of the Financial Management Group at the Department of Finance. Mr McPhee's roles include being a nonexecutive director of a listed company and a council member of Central Queensland University, and chair and independent member of audit and risk committees for a number of government entities. Mr McPhee holds a Bachelor of Business (Accountancy) and Bachelor of Arts (Computing Studies). Mr McPhee is a Fellow of CPA Australia and a graduate of the Australian Institute of Company Directors.</p>	<p>6/6 committee meetings</p> <p>6/6 FSSC meetings</p>	\$43,500
<p><b>Mr Geoff Knuckey</b></p> <p>Independent chair (until 31 December 2021)</p> <p>Independent member (from 1 January 2022)</p> <p>Independent member, Financial Statements Sub-Committee (FSSC) (until 31 December 2021)</p> <p>Independent chair, FSSC (from 1 January 2022)</p>	<p>Mr Knuckey is a former Partner of Ernst &amp; Young where he specialised in financial statements auditing and advised on internal audit, corporate governance, risk management, and financial statements auditing and reporting. Mr Knuckey is currently chair or non-executive director of several private sector companies, and chair or independent member of audit and risk committees for a number of government entities.</p> <p>Mr Knuckey holds a Bachelor of Economics and is a Fellow of the Institute of Chartered Accountants in Australia, a Registered Company Auditor, Graduate Member of the Australian Institute of Company Directors, and a member of the Australian Institute of Internal Auditors.</p>	<p>6/6 committee meetings</p> <p>6/6 FSSC meetings</p>	\$36,038

Member name and committee position	Qualifications, knowledge, skills or experience (include formal and informal as relevant)	Number of meetings attended/total number of meetings	Total annual remuneration (GST incl.)
<p><b>Ms Gayle Ginnane</b></p> <p>Independent member</p>	<p>Ms Ginnane has previously held senior positions in the public sector with responsibility for regulation of the private health industry as well as chair and directorship roles in both the public and private sectors.</p> <p>Ms Ginnane is currently chair or nonexecutive director of several private sector companies, and chair or independent member of audit and risk committees for a number of government entities.</p> <p>Ms Ginnane holds a Bachelor of Arts (Mathematics and Statistics), Bachelor of Economics, Master of Defence Studies and Graduate Diploma in Strategic Studies.</p>	<p>5/6 committee meetings</p> <p>2/2 FSSC meetings</p>	<p>\$17,354</p>
<p><b>Dr David Bryant</b></p> <p>Independent member</p> <p>(Term commenced on 1 January 2022)</p>	<p>Dr Bryant is a Senior ACS Certified Professional (PCP) and AIPM Certified Practising Project Director (CPPD) and specialises in IT governance and projects.</p> <p>Dr Bryant also holds roles as an independent member of audit and risk committees for a number of government entities.</p> <p>Dr Bryant is a Lecturer on accounting information systems at ANU and holds a PhD (management information systems), MBA (Technology Management), B.Information Technology, ACS PCP, AIPM, CPPD.</p>	<p>2/4 committee meetings</p>	<p>\$10,000</p>
<p><b>Ms Susan Page PSM</b></p> <p>Independent member</p> <p>(Term ceased on 31 December 2021)</p>	<p>Ms Page previously held senior positions in the public sector, including Deputy Secretary positions with responsibility for infrastructure investment, regional services, territories, safety investigations, deregulation and best practice regulation.</p> <p>Ms Page holds a Bachelor of Arts (Honours) and is an independent member on one other government entity audit and risk committee.</p>	<p>2/2 committee meetings</p> <p>2/2 FSSC meetings</p>	<p>\$9,517</p>

Member name and committee position	Qualifications, knowledge, skills or experience (include formal and informal as relevant)	Number of meetings attended/total number of meetings	Total annual remuneration (GST incl.)
<p><b>Mr Carl Murphy</b></p> <p>Independent member</p> <p>(Term ceased on 31 December 2021)</p>	<p>Mr Murphy has previously held senior positions in the public sector including as the Chief Operating Officer at the former Department of Infrastructure, Transport, Cities and Regional Development.</p> <p>Mr Murphy holds a Master of Public Administration and Bachelor of Arts (First Class Honours).</p> <p>Mr Murphy is a graduate member of the Australian Institute of Company Directors and a Certified Practising Accountant.</p>	<p>2/2 committee meetings</p> <p>2/2 FSSC meetings</p>	<p>\$5,500</p>
<p><b>Brendan McRandle PSM</b></p> <p>Departmental advisor</p> <p>(Term ceased on 16 September 2021)</p>	<p>Mr McRandle PSM was Chief Executive Officer of the National Water Grid Authority (NWGA) and Deputy Secretary, Water Infrastructure and Northern Australia.</p>	<p>1/1 committee meeting</p>	<p>N/A</p>
<p><b>Pauline Sullivan</b></p> <p>Departmental advisor</p>	<p>Ms Sullivan is First Assistant Secretary, Online Safety, Media and Platforms.</p>	<p>4/6 committee meetings</p>	<p>N/A</p>
<p><b>Sarah Vandenbroek</b></p> <p>Departmental advisor</p> <p>(Term commenced on 22 March 2022)</p>	<p>Ms Vandenbroek is First Assistant Secretary, Territories; and was appointed as a departmental advisor to the Audit and Risk Committee in March 2022.</p>	<p>2/2 committee meetings</p>	<p>N/A</p>

## Appendix C: Employee statistics

The Department of Finance's Resource Management Guide No. 135 titled 'Annual reports for non-corporate Commonwealth entities' requires the inclusion of a range of employee statistics for the department relating to the current and previous reporting periods.

### All employees: gender, location, and full-time and part-time status

Tables C.1 to C.4 present the number of departmental employees (including by reference to ongoing and non-ongoing) by gender, location, and full-time and part-time status at 30 June 2022 and 30 June 2021.

Table C.1 All ongoing employees, current report period (at 30 June 2022)<sup>a,b</sup>

	Male			Female			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	
NSW	27	–	27	36	7	43	70
Qld	5	–	5	24	5	29	34
SA	1	–	1	3	2	5	6
Tas	1	–	1	2	–	2	3
Vic	11	–	11	12	8	20	31
WA	6	–	6	7	2	9	15
ACT	621	42	663	798	154	952	1,615
NT	–	1	1	8	–	8	9
Norfolk Island	3	–	3	3	–	3	6
Overseas	2	–	2	–	–	–	2
<b>Total</b>	<b>677</b>	<b>43</b>	<b>720</b>	<b>893</b>	<b>178</b>	<b>1,071</b>	<b>1,791</b>

b. Excludes inoperative employees on long-term leave, holders of public office and employees under the employment authority of the Indian Ocean Territories Administration.

c. No ongoing employees identified their gender as indeterminate, therefore the tables give male and female statistics only.

Table C.2 All non-ongoing employees, current report period (at 30 June 2022)<sup>a</sup>

	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
NSW	3	-	3	5	-	5	-	-	-	8
Qld	-	-	-	2	-	2	-	-	-	2
SA	-	-	-	-	-	-	-	-	-	-
Tas	-	-	-	-	-	-	-	-	-	-
Vic	-	-	-	1	-	1	-	-	-	1
WA	-	-	-	-	2	2	-	-	-	2
ACT	27	10	37	43	17	60	-	1	1	98
NT	1	-	1	-	-	-	-	-	-	1
Norfolk Island	1	-	1	2	-	2	-	-	-	3
Overseas	1	-	1	-	-	-	-	-	-	1
<b>Total</b>	<b>33</b>	<b>10</b>	<b>43</b>	<b>53</b>	<b>19</b>	<b>72</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>116</b>

a. Excludes inoperative employees on long-term leave, holders of public office and employees under the employment authority of the Indian Ocean Territories Administration.

Table C.3 All ongoing employees, previous report period (at 30 June 2021)<sup>a, b</sup>

	Male			Female			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	
NSW	24	–	24	35	6	41	65
Qld	1	–	1	3	1	4	5
SA	–	–	–	1	2	3	3
Tas	1	–	1	1	–	1	2
Vic	13	1	14	11	4	15	29
WA	5	–	5	5	3	8	13
ACT	549	32	581	705	147	852	1,433
NT	–	1	1	4	–	4	5
Norfolk Island	4	–	4	3	1	4	8
Overseas	2	1	3	–	–	–	3
<b>Total</b>	<b>599</b>	<b>35</b>	<b>634</b>	<b>768</b>	<b>164</b>	<b>932</b>	<b>1,566</b>

a. Excludes inoperative employees on long-term leave, holders of public office and employees under the employment authority of the Indian Ocean Territories Administration.

b. No employees identified their gender as indeterminate, therefore the tables give male and female statistics only.



Table C.4 All non-ongoing employees, previous report period (at 30 June 2021)<sup>a</sup>

	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
NSW	2	-	2	2	-	2	-	-	-	4
Qld	-	-	-	-	-	-	-	-	-	-
SA	-	-	-	-	-	-	-	-	-	-
Tas	-	-	-	-	-	-	-	-	-	-
Vic	-	-	-	1	-	1	-	-	-	1
WA	-	-	-	-	-	-	-	-	-	-
ACT	18	9	27	41	7	48	1	-	1	76
NT	-	-	-	-	-	-	-	-	-	-
Norfolk Island	1	-	1	1	-	1	-	-	-	2
Overseas	1	-	1	-	-	-	-	-	-	1
<b>Total</b>	<b>22</b>	<b>9</b>	<b>31</b>	<b>45</b>	<b>7</b>	<b>52</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>84</b>

a. Excludes inoperative employees on long-term leave, holders of public office and employees under the employment authority of the Indian Ocean Territories Administration.

## Public Service Act 1999 employees: classification levels, full-time and part-time status, gender, and location

Tables C.5 to C.9 present the number of *Public Service Act 1999* (PS Act) employees in the department (including by reference to ongoing and non-ongoing) by classification levels, full-time and part-time status, gender and location at 30 June 2022 and 30 June 2021.

Table C.5 PS Act ongoing employees, current report period (at 30 June 2022)<sup>a,b,c</sup>

	Male			Female			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	
SES 3	3	–	3	4	–	4	7
SES 2	8	–	8	11	–	11	19
SES 1	28	–	28	36	–	36	64
EL 2	121	9	130	131	17	148	278
EL 1	219	17	236	276	97	373	609
APS 6	153	10	163	196	45	241	404
APS 5	86	4	90	130	11	141	231
APS 4	21	2	23	74	6	80	103
APS 3	30	–	30	30	1	31	61
APS 2	2	1	3	1	1	2	5
APS 1	5	–	5	4	–	4	9
Other	1	–	1	–	–	–	1
<b>Total</b>	<b>677</b>	<b>43</b>	<b>720</b>	<b>893</b>	<b>178</b>	<b>1,071</b>	<b>1,791</b>

- Excludes inoperative employees on long-term leave, holders of public office and employees under the employment authority of the Indian Ocean Territories Administration.
- No ongoing employees identified their gender as indeterminate, therefore the tables give male and female statistics only.
- Other includes the Secretary of the department.

Table C.6 PS Act non-ongoing employees, current report period  
(at 30 June 2022)<sup>a,b</sup>

	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
SES 3	-	-	-	-	-	-	-	-	-	-
SES 2	-	-	-	-	-	-	-	-	-	-
SES 1	-	-	-	-	-	-	-	-	-	-
EL 2	4	-	4	2	-	2	-	-	-	6
EL 1	2	1	3	8	1	9	-	-	-	12
APS 6	7	1	8	10	2	12	-	1	1	21
APS 5	3	-	3	14	4	18	-	-	-	21
APS 4	13	3	16	11	1	12	-	-	-	28
APS 3	2	1	3	4	5	9	-	-	-	12
APS 2	2	2	4	4	6	10	-	-	-	14
APS 1	-	2	2	-	-	-	-	-	-	2
Other	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>33</b>	<b>10</b>	<b>43</b>	<b>53</b>	<b>19</b>	<b>72</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>116</b>

a. Excludes inoperative employees on long-term leave, holders of public office and employees under the employment authority of the Indian Ocean Territories Administration.

b. Other includes the Secretary of the department.

Table C.7 PS Act ongoing employees, previous report period (at 30 June 2021)<sup>a,b,c</sup>

	Male			Female			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	
SES 3	3	–	3	2	–	2	5
SES 2	6	–	6	13	–	13	19
SES 1	27	–	27	32	1	33	60
EL 2	115	8	123	113	18	131	254
EL 1	191	13	204	234	82	316	520
APS 6	128	8	136	182	41	223	359
APS 5	85	3	88	104	15	119	207
APS 4	17	2	19	51	5	56	75
APS 3	23	–	23	26	1	27	50
APS 2	2	1	3	3	1	4	7
APS 1	1	–	1	8	–	8	9
Other	1	–	1	–	–	–	1
<b>Total</b>	<b>599</b>	<b>35</b>	<b>634</b>	<b>768</b>	<b>164</b>	<b>932</b>	<b>1,566</b>

- a. Excludes inoperative employees on long-term leave, holders of public office and employees under the employment authority of the Indian Ocean Territories Administration.
- b. No employees identified their gender as indeterminate, therefore the tables give male and female statistics only.
- c. Other includes the Secretary of the department

Table C.8 PS Act non-ongoing employees, previous report period (at 30 June 2021)<sup>a</sup>

	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
SES 3	-	-	-	-	-	-	-	-	-	-
SES 2	-	-	-	-	-	-	-	-	-	-
SES 1	-	-	-	-	-	-	-	-	-	-
EL 2	3	-	3	3	-	3	-	-	-	6
EL 1	3	2	5	8	-	8	-	-	-	13
APS 6	8	1	9	8	1	9	-	-	-	18
APS 5	6	-	6	13	-	13	-	-	-	19
APS 4	2	3	5	13	1	14	-	-	-	19
APS 3	-	1	1	-	4	4	-	-	-	5
APS 2	-	-	-	-	1	1	-	-	-	1
APS 1	-	2	2	-	-	-	1	-	1	3
Other	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>22</b>	<b>9</b>	<b>31</b>	<b>45</b>	<b>7</b>	<b>52</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>84</b>

a. Excludes inoperative employees on long-term leave, holders of public office and employees under the employment authority of the Indian Ocean Territories Administration.

**Table C.9 PS Act Aboriginal and/or Torres Strait Islander employment (at 30 June 2021 and 30 June 2022)<sup>a</sup>**

	2020–21	2021–22
Ongoing	37	43
Non-ongoing	–	2
<b>Total</b>	<b>37</b>	<b>45</b>

a. Excludes inoperative employees on long-term leave, holders of public office and employees under the employment authority of the Indian Ocean Territories Administration.

## Public Service Act 1999 employees: employment arrangements

Tables C.10 and C.11 present the number of SES and non-SES employees covered by any enterprise agreement, individual flexibility arrangements, Australian workplace agreements, common law contracts or determinations under subsection 24(1) of the PS Act during 2021–22. No performance bonuses were paid during the reporting period.

**Table C.10 PS Act employment arrangements, current report period (at 30 June 2022)<sup>a,b</sup>**

	SES	Non-SES	Total
Individual determination under subsection 24(1) of the PS Act 1999	90	1	91
Department of Infrastructure and Regional Development Enterprise Agreement 2016	–	1,816	1,816 (428)
Subsection 24(1) Determination – Department of infrastructure, Transport, Regional Development and Communications Non-SES Employees 2021	–	1,816	1,816

a. Excludes inoperative employees and holders of public office. Non-SES employees are covered by 2 workplace arrangements: the Department of Infrastructure and Regional Development Enterprise Agreement 2016 and the subsection 24(1) Determination – Department of infrastructure, Transport, Regional Development and Communications Non-SES Employees 2021.

b. Employees with individual flexibility arrangements are shown in brackets.

**Table C.11 PS Act employment salary ranges by classification level (minimum/maximum), current report period (30 June 2022)<sup>a,b</sup>**

	<b>Minimum Salary</b>	<b>Maximum Salary</b>
SES 3	\$360,493	\$382,558
SES 2	\$246,213	\$341,856
SES 1	\$203,047	\$264,003
EL 2	\$130,151	\$175,547
EL 1	\$110,321	\$147,219
APS 6	\$85,889	\$115,636
APS 5	\$77,607	\$90,827
APS 4	\$69,515	\$82,012
APS 3	\$61,570	\$67,746
APS 2	\$53,967	\$60,710
APS 1	\$51,530	\$53,484

- a. Individual flexibility arrangements and salary maintenance have been reflected in the salary figures for these classifications. The Secretary has been excluded; please refer to the key management personnel remuneration table (in Appendix D: Executive remuneration) for details on the Secretary's remuneration.
- b. Excludes inoperative employees on long-term leave, holders of public office and employees under the employment authority of the Indian Ocean Territories Administration.

## Indian Ocean Territories: employment arrangements

Table C.12 presents the number of staff employed under the *Territory of Christmas Island Administration Ordinance 1968* and the *Territory of Cocos (Keeling) Islands Administration Ordinance 1975*. These staff are excluded from employee numbers reported under the PS Act.

**Table C.12 All staff employed under the Indian Ocean Territories Administration, by employment type, current and previous report period<sup>a,b</sup>**

	30 June 2021	30 June 2022
Ongoing	65	63
Non-ongoing	46	47
Casual	57	48
<b>Total</b>	<b>168</b>	<b>158</b>

a. Includes all employees employed under the *Territory of Christmas Island Administration Ordinance 1968* and the *Territory of Cocos (Keeling) Islands Administration Ordinance 1975*.

b. Excludes the Administrator for Christmas Island and Cocos (Keeling) Islands.



## Appendix D: Executive remuneration

The Secretary's remuneration is determined by the Remuneration Tribunal. All other SES staff are covered by agency determinations, which are determined by the Secretary under subsection 24(1) of the *Public Service Act 1999*.

The department's SES remuneration policy is designed to position the department competitively in the APS SES market while remaining consistent with the objectives of the government's Public Sector Workplace Relations Policy 2020. The department monitors and evaluates the competitiveness of SES remuneration annually through the results of the APS Remuneration Report.

SES employees received a 1.7% wage increase on 8 July 2021 consistent with the Public Sector Workplace Relations Policy 2020. Consistent with advice from the Australian Public Service Commission a pause on SES wage increases was implemented in June 2022 until a new workplace relation policy has been determined or until further direction has been given by the Government.

Tables D.1 to D.3 present remuneration information for key management personnel, senior executives and other highly paid employees.

Table D.1 Information about remuneration for key management personnel

Name	Position title	Short-term benefits			Post-employment benefits			Total remuneration
		Base salary <sup>c</sup>	Bonuses	Other benefits and allowances	Super-annuation contributions <sup>d</sup>	Long service leave	Other long-term benefits	
Simon Atkinson	Secretary	719,248	–	–	102,110	17,306	–	796,403
Christine Dacey <sup>a</sup>	Chief Operating Officer	205,454	–	–	36,238	12,680	–	254,372
Maree Bridger (a/g) <sup>b</sup>	Chief Operating Officer	127,564	–	–	18,586	3,974	–	150,124
Dr Rachel Bacon	Deputy Secretary	342,123	–	–	69,827	14,291	–	426,241
Richard Windeyer	Deputy Secretary	412,975	–	–	70,616	14,768	–	498,359
Dr Stephen Arnott PSM <sup>a,b</sup>	Deputy Secretary	354,402	–	–	59,545	11,415	–	425,362
David Hallinan	Deputy Secretary	372,783	–	–	69,830	12,365	–	454,979
Brendan McRandle PSM <sup>a</sup>	Deputy Secretary	114,415	–	–	16,392	3,982	6,122	140,912
Marisa Purvis-Smith <sup>a,b</sup>	Deputy Secretary	254,687	–	–	45,819	7,511	–	308,016
Diane Brown <sup>a,b</sup>	Deputy Secretary	359,054	–	–	46,414	9,388	–	414,856

a. Occupied a key management personnel position for part of the financial year.

b. Acted in a key management personnel position for part of the financial year.

c. Base salary is calculated as total cash salary paid during the financial year, with an adjustment for annual leave and long service leave, where leave taken during the year is higher or lower than the amount accrued.

d. Superannuation is calculated as actual superannuation contributions made during the year.

Table D.2 Information about remuneration for senior executives

Total remuneration bands	Number of senior executives	Short-term benefits			Post-employment benefits			Other long-term benefits			Termination benefits	Total remuneration
		Average base salary	Average bonuses	Average other benefits and allowances	Average super-annuation contributions	Average long service leave	Average other long-term benefits	Average termination benefits	Average total remuneration			
\$0-\$220,000	26	103,895	-	241	19,213	4,651	-	-	8,327	136,327		
\$220,001-\$245,000	13	186,436	-	-	30,671	7,562	-	-	14,278	238,947		
\$245,001-\$270,000	23	212,244	-	498	36,245	8,119	-	-	-	257,107		
\$270,001-\$295,000	19	229,969	-	-	40,951	10,305	-	-	-	281,225		
\$295,001-\$320,000	8	247,653	-	701	45,042	11,950	-	-	-	305,346		
\$320,001-\$345,000	6	267,349	-	-	50,990	11,781	-	-	-	330,120		
\$345,001-\$370,000	3	293,621	-	692	50,623	11,442	-	-	-	356,377		
\$370,001-\$395,000	1	305,043	-	-	55,534	10,223	-	-	-	370,800		

Notes:

- > Remuneration is calculated on an accrual basis and excludes short term acting arrangements.
- > Short term benefits includes the value of annual leave accrued during the financial year, rather than leave taken. Long-term benefits reflects the value of long service leave accrued during the year, rather than any leave taken.
- > No remuneration was provided in the form of bonuses or other long-term benefits, other than long service leave.
- > Remuneration for senior executives excludes employees classified as Key Management Personnel in Table D.1
- > Total remuneration for senior executives includes employees that occupied senior executive positions for part of the financial year.

Table D.3 Information about remuneration for other highly paid staff

Total remuneration bands	Number of other highly paid staff	Short-term benefits			Post-employment benefits		Other long-term benefits		Termination benefits		Total remuneration	
		Average base salary	Average bonuses	Average other benefits and allowances	Average super-annuation contributions	Average long service leave	Average other long-term benefits	Average termination benefits	Average total remuneration			
\$245,001–\$270,000	1	184,645	–	47,209	31,030	5,591	–	–	–	268,475		
\$270,001–\$295,000	1	200,719	–	43,343	22,877	9,842	–	–	–	276,781		

## Notes:

- > Other benefits and allowances include overseas allowances, accommodation and fringe benefits tax paid on behalf of APS employees posted overseas. The benefits and allowances are paid to compensate for the differences in locations such as cost of living, hardship and security environments. The benefits and allowances also cover additional costs incurred, such as family medical and educational costs, to ensure posted employees are not disadvantaged.
- > No remuneration was provided in the form of bonuses or other long-term benefits, other than long service leave.

# Appendix E: Advertising and market research

During 2021–22, the department conducted one advertising campaign: Online Safety.

The campaign raised awareness of the new *Online Safety Act 2021*. Further information on this advertising campaign is available on the department's website. The department also made final advertising and research payments accrued for the Building our Future campaign delivered in 2020–21.

Tables E.1 to E.3 list advertising and market research payments of more than \$14,500 (GST inclusive) made during 2021–22, as required by section 311A of the *Commonwealth Electoral Act 1918*.

**Table E.1 Advertising entities**

Organisation name	Purpose	Amount of payment (including GST)
TBWA	Creative services	\$673,087
Culture HQ	Creative services	\$329,710
33 Creative	Creative services	\$329,990
Eye Candy Animation	Creative production	\$19,788
<b>Total advertising entities</b>		<b>\$1,352,575</b>

**Table E.2 Market research organisations**

Organisation name	Purpose	Amount of payment (including GST)
Hall & Partners	Evaluation research	\$198,162
Orima Research	Market research and concept testing research	\$384,359
WhereTo Research	Market research	\$73,370
Essence Communications	Market research	\$58,696
Snapcracker Research and Strategy	Market research	\$27,500
<b>Total market research organisations</b>		<b>\$742,087</b>

Table E.3 Media advertising organisations

Organisation name	Purpose	Amount of payment (including GST)
Mediabrand Australia Pty Ltd	Public notices (various) and non-campaign advertising	\$293,771
Universal McCann	Campaign media buying and placement services	\$5,602,550
<b>Total media advertising</b>		<b>\$5,896,321</b>

# Appendix F: Ecologically sustainable development and environmental performance

This report is made under section 516A of the *Environment Protection and Biodiversity Conservation Act 1999*.

The department recognises the importance of the 5 principles of ecologically sustainable development (integration, precaution, intergeneration, biodiversity and valuation) and is committed to implementing these principles in its operations. This is demonstrated through our decision-making processes which always consider both short-term and long-term impacts, and through a range of initiatives which seek, where practical, to limit the consumption of office energy and other resources.

Environmental initiatives include:

- > energy-efficient lighting
- > automated lighting controls which switch off non-essential lighting outside of work hours
- > open-plan floor design which maximises access to natural light
- > best practice in the use of paints, adhesives and materials with low volatile organic compound components in the construction of fit-outs, including at individual workstations
- > recycling (including secure where needed) of paper, glass, plastic, metal and organic waste – provision of centralised collection points allows for an increased uptake of recycling and organic waste disposal and thus a reduction in the department's environmental footprint.

In 2021–22, the department consumed 11,141 gigajoules of electricity. This is a 3% (325 gigajoules) increase on the previous year's usage. Electricity data was only available up until April 2022 due to invoices being delivered 2 months in arrears. However, May and June 2022 have been estimated using seasonal algorithms. No natural gas or Green Power was purchased throughout the reporting year. The National Australian Built Environment Rating System (NABERS) was completed for the 3 sites which meet the requirements under the Energy Efficiency in Government Operations (EEGO) Policy; 62 Northbourne Ave received a 4.5 star rating, whilst 2 Phillip Law St and 111 Alinga St both received a 5.0 star rating.

No breaches of environmental laws or licences by the department were reported during 2021–22.

# Appendix G: Work health and safety

This report is made under schedule 2 part 4 of the *Work Health and Safety Act 2011*<sup>4</sup> (WHS Act).

The safety and wellbeing of our people continued to be a key area of focus, particularly as we responded to the changing COVID-19 environment. We continually reviewed the COVID-19 workplace risks and ensured our compliance with our obligations under the WHS Act.

During 2021–22, we continued to focus on prevention strategies, through our health, wellbeing and early-intervention programs, including improving our understanding of key work health and safety (WHS) risks through the development of departmental and divisional WHS risk registers.

Initiatives included:

- > developing resources addressing workplace respect and courtesy
- > partnering with CancerAid in support of those living with cancer
- > developing a Mental Health and Wellbeing Framework
- > implementing the annual workplace hazard inspection procedure
- > reviewing the WHS Management System
- > implementing biennial mandatory due diligence training for all SES officers
- > procuring 2 landing barges, in partnership with the Norfolk Island Regional Council, and thus substantially reducing WHS concerns with the lighterage operations.
- > delivering activities for healthy living month and safe work month.

The Work Health and Safety Committee continued to meet quarterly throughout the year. Table G.1 provides a summary of health and safety outcomes in accordance with the WHS Act.

...

4 <https://www.legislation.gov.au/Series/C2011A00137>



Table G.1 Summary of health and safety outcomes

Health and safety outcomes	2021–22
Incidents notified to Comcare	13
Notices received from Comcare under Part 10 of the WHS Act	Nil
Incidents registered on the reporting system <sup>a</sup>	107
Accepted workers' compensation claims <sup>b</sup>	21
Claims for lost time from new claims	1
Total weeks lost from new claims through incapacity	2
Average time off work per injury (weeks) from new claims	0.1
Average cost per accepted compensation claim	\$16,964
Employees using the Employee Assistance Program	9.3%
Days of unscheduled absence per full-time equivalent employed <sup>c</sup>	11.6

a. Includes all reported incidents, hazards and near misses in the reporting system, including those that may not have arisen out of the conduct of business or undertaking by the entity.

b. Includes claims accepted for former employees

c. Unscheduled absence includes sick leave, carer's leave, unauthorised absences and compassionate/bereavement leave. Workers compensation leave is not included.

# Appendix H: Public broadcasters

## Australian Broadcasting Corporation Board

This report is made under section 24Y of the *Australian Broadcasting Corporation Act 1983*.<sup>5</sup>

Under subsection 12(1) of the Act, the ABC Board consists of a chairperson, managing director, a staff-elected director and not fewer than 4 nor more than 6 other directors.

Section 24Y of the Act requires our annual report to include a statement in relation to each selection process used during the year for board appointments other than the managing director and staff-elected director.

In 2021–22, Mr Peter Tonagh was appointed as the Deputy Chair until the conclusion of his non-executive director term on 12 May 2026, and Ms Georgina Somerset AM was reappointed as a non-executive director for a 5-year term, concluding on 22 February 2027. These processes complied with requirements under the Act.

## Special Broadcasting Service Board

This report is made under section 43C of the *Special Broadcasting Service Act 1991*.<sup>6</sup>

Under section 8 of the Act, the SBS Board consists of a chairperson, managing director, and not fewer than 3 nor more than 7 other directors.

Section 43C of the Act requires our annual report to include a statement in relation to each selection process used during the year for the appointment of a non-executive director.

In 2021–22, Ms Christine Zeitz was appointed as the Deputy Chair until the conclusion of her non-executive director term on 9 May 2023. Mr Vic Alhadeff was appointed as a non-executive director for a 5-year term, concluding on 29 September 2026, and Ms Katrina Rathie was appointed a non-executive director for a 5-year term, concluding on 30 March 2027. These processes complied with requirements under the Act.

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5 <https://www.legislation.gov.au/Series/C2004A02723>

6 <https://www.legislation.gov.au/Series/C2004A04255>

# Appendix I: Aviation legislation

## Reports under aviation legislation

Section 29(1) of the *Air Navigation Act 1920*<sup>7</sup> requires the department to report annually on administration and operation of the Act and its regulations. This includes other civil aviation matters the Secretary considers should be included in the report.

The department continued to regulate scheduled international air services in accordance with the *Air Navigation Act 1920* and associated regulations. In 2021–22, the department granted approvals for 327 timetables, 3,412 timetable variations, 576 non-scheduled flights and 2 new international airline licences.

The COVID-19 pandemic continues to affect the international aviation industry and regulatory approvals. Timetable approvals in 2021–22 were lower than pre-COVID levels but are increasing as more international airlines recommence operations to Australia. The number of timetable variations (initiated by both the Commonwealth and airline operators) remains high as a result of the international passenger arrivals caps which were in place for most of 2021–22. With the removal of the last international passenger arrivals caps in June 2022, the number of timetable variations are expected to reduce.

## Environment authorisation and protection orders

Paragraph 5.15(2) of the *Airports (Environment Protection) Regulations 1997*<sup>8</sup> requires the department to report notification of environmental authorisations.

The department can authorise an airport to undertake action that may result in environmental emissions limits being exceeded, where the emissions would be no more damaging to the environment than if the limits were met. No environmental authorisations were made during the reporting period.

The department may make an environment protection order under part 7, division 1 of the *Airports (Environment Protection) Regulations*, directing an airport to comply with a duty to avoid polluting to preserve habitat, or to prevent offensive noise. No environment protection orders were made during the reporting period.

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7 <https://www.legislation.gov.au/Series/C1920A00050>

8 <https://www.legislation.gov.au/Series/F1997B02530>

## Aircraft noise levy collection

Section 20 of the *Aircraft Noise Levy Collection Act 1995*<sup>9</sup> requires our annual report to include information on adherence to that Act and to the *Aircraft Noise Levy Act 1995*.<sup>10</sup>

In 2021–22, no reportable actions or breaches were made under either of these Acts.

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9 <https://www.legislation.gov.au/Series/C2004A04948>

10 <https://www.legislation.gov.au/Series/C2004A04947>

## Appendix J: National land transport

Section 94 of the *National Land Transport Act 2014* requires an annual report on the operation of the Act at the end of each financial year that ends after the commencement of Parts 3, 4, 5, 7 and 8. For information on the operation of this Act see Part 4.

## Appendix K: Legal services expenditure

Paragraph 11.1(ba) of the *Legal Services Directions 2017* requires the department to appropriately record and monitor our legal services purchasing, including expenditure. It also requires that each year we make our records of legal services expenditure for the previous financial year publicly available by 30 October.

The expenditure reported below is the total expenditure by the Department of Infrastructure, Transport, Regional Development and Communications.

For 2021–22, our legal expenditure was:

- > \$4.800 million for total external legal services expenditure
- > \$3.896 million for total internal legal services expenditure.

## Appendix L: Corrections to previous Annual Report

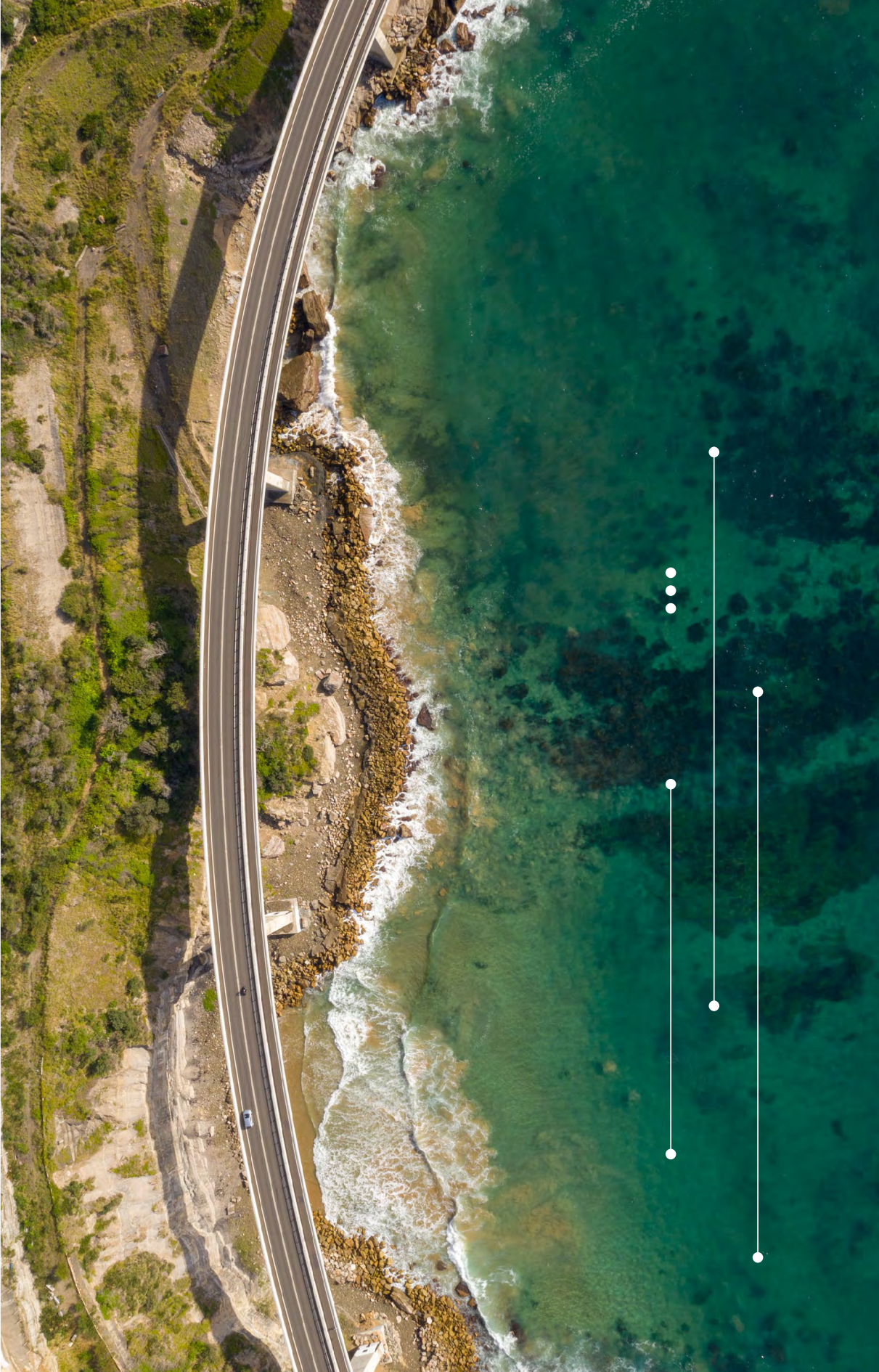
### Part 3 Financial management

Table 3.4 *Top 5 non-consultancy contracts (by value of spend)* (page 26) in the 2020–21 Annual Report reported annual expenditure for Concentrix Services Pty Ltd of \$47,040,157. The correct value is \$18,247,490.

### Appendix E: Advertising and market research

Table E.3 *Media advertising organisations* (page 257) in the 2020–21 Annual Report reported an expenditure of \$3,491,878 (ex GST) for campaign media buying and placement services through Universal McCann. Account credits were received in 2021–22 against invoices paid in 2020–21, therefore this figure should be amended to read \$3,415,850 (ex GST).





# PART 7

## Reference material

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Abbreviations and acronyms	286
List of requirements	290
Alphabetical index	299



# Glossary

<b>5G</b>	The next step in the evolution of mobile wireless communications technology, promising improved connectivity, greater network speeds and bandwidth, and very low latency.
<b>Administered item</b>	A component of an administered program.
<b>Administrative Arrangements Order</b>	A document that provides for the arrangements of government administration, including the matters that are dealt with by each department and the legislation administered by each minister.
<b>Air services arrangements</b>	Treaty-level aviation agreements negotiated with international governments. Air services arrangements may contain provisions on the routes airlines can fly, the number of flights that can be operated, tariffs and the number of airlines designated to operate services.
<b>Australian Public Service (APS) employee</b>	A person engaged under section 22, or a person who is engaged as an APS employee under section 72, of the <i>Public Service Act 1999</i> .
<b>Black spot</b>	A road site identified as a high-risk area for serious crashes.
<b>Building Better Regions Fund</b>	This fund is helping regional communities and businesses that have been disproportionately affected by drought, bushfires and the COVID-19 pandemic, toward the path to economic recovery. It creates jobs, drives economic growth and builds stronger communities through community program investments.
<b>Carrier</b>	Holder of a telecommunications carrier licence.
<b>Classification Board</b>	The body established under the <i>Classification (Publications, Films and Computer Games) Act 1995</i> that classifies films, computer games and publications for exhibition, sale or hire in Australia.
<b>CO<sub>2</sub> emissions</b>	Emissions of carbon dioxide, the primary greenhouse gas contributing to climate change. Other greenhouse gases include nitrous oxide and methane. In vehicles, CO <sub>2</sub> is the principal greenhouse gas emitted.



<b>Community Development Grants Program</b>	Program supporting needed infrastructure that promotes stable, secure and viable local and regional economies.
<b>Corporate governance</b>	The process by which entities are directed and controlled. It is generally understood to encompass authority, accountability, stewardship, leadership, direction and control.
<b>COVID-19 Arts Sustainability Fund</b>	Fund providing 'last resort' funding assistance to significant Australian Government funded arts organisations at imminent risk due to COVID-19 that have taken all reasonable action to maintain their financial position.
<b>Division</b>	An organisational unit within the department, which is managed by a First Assistant Secretary and reports to the Secretary.
<b>Ecologically sustainable development</b>	Using, conserving and enhancing the community's resources so that ecological processes, on which life depends, are maintained and the total quality of life, now and in the future, can be increased.
<b>Enterprise agreement</b>	An agreement made at enterprise level between employers and employees about the terms and conditions of employment.
<b>Federally leased airport</b>	The leased federal airports in each state and territory that were granted long-term leases to private entities between 1997 and 2003.
<b>Financial results</b>	The results shown in the financial statements of an entity.
<b>Fixed line</b>	A network in which voice, data or broadband services are delivered over a physical line.
<b>Free-to-air</b>	The broadcast services available without a subscription or fee.
<b>Freight</b>	Goods transported by truck, train, ship or aircraft.
<b>Grant</b>	Australian Government financial assistance as defined under the Commonwealth Grants Rules and Guidelines.
<b>Location Incentive</b>	Funding designed to attract international screen productions to locate to Australia
<b>Mobile black spot</b>	A location with poor or non-existent mobile coverage.

<b>Mobile Network Hardening Program</b>	Program seeking to improve telecommunications resilience in recognition that most outages are caused by power failures during emergencies.
<b>National Classification Scheme</b>	A cooperative arrangement between the Australian Government and state and territory governments under which the Classification Board classifies films, computer games and certain publications.
<b>Non-ongoing Australian Public Service employee</b>	A person engaged as an APS employee under subsection 22(2)(b) or 22(2)(c) of the <i>Public Service Act 1999</i> .
<b>Ongoing Australian Public Service employee</b>	A person engaged as an ongoing APS employee under subsection 22(2)(a) of the <i>Public Service Act 1999</i> .
<b>Online Safety Act 2021</b>	Legislation with new and strengthened schemes and enhanced reporting requirements for the eSafety Commissioner
<b>Operations</b>	Functions, services and processes performed in pursuing the objectives or discharging the functions of an entity.
<b>Outcomes</b>	The results, impacts or consequences of actions by the Australian Government on the Australian community – these should be consistent with those listed in the entity's Portfolio Budget Statements and Portfolio Additional Estimates Statements.
<b>Performance information</b>	Evidence about performance that is collected and used systematically and may relate to appropriateness, effectiveness as well as efficiency and the extent to which an outcome can be attributed to an intervention – performance information may be quantitative (numerical) or qualitative (descriptive), and it should be verifiable.
<b>Portfolio Budget Statements</b>	A budget-related paper detailing budget initiatives and appropriations, by outcome and program, for each entity within a portfolio.
<b>Program</b>	An activity or group of activities that delivers benefits or services or transfers payments to individuals, industry or the community as a whole.
<b>Public Interest News Gathering program</b>	Program providing support to public interest news journalism during the COVID-19 pandemic.
<b>Purpose</b>	The objectives, functions or role of the entity or company. In relation to performance management, purposes are the reasons or ideal state or outcomes, for which the entity or company undertakes its activities.

<b>Regional Development Australia committees</b>	A national network of committees established as part of the Regional Development Australia initiative to achieve the objective of bringing together all levels of government to enhance the development of Australia's regions.
<b>Restart Investment to Sustain and Expand (RISE) fund</b>	Fund to support the arts sector to recover from the impacts of COVID-19.
<b>Strengthening Telecommunications Against Natural Disasters</b>	A package funding temporary telecommunications facilities to better support communications in times of natural emergencies.
<b>Stronger Communities Program</b>	Program providing funding for small capital projects that deliver social benefits for local communities across Australia.
<b>Universal Service Obligation</b>	The obligation placed on universal service providers of telecommunications to ensure that all people in Australia, wherever they reside or carry on business, have reasonable access, on an equitable basis, to standard telephone services, including payphones.

# Abbreviations and acronyms

<b>5G</b>	fifth generation
<b>AASB</b>	Australian Accounting Standards Board
<b>ABaF</b>	Australian Business Arts Foundation
<b>ABC</b>	Australian Broadcasting Corporation
<b>ABS</b>	Australian Bureau of Statistics
<b>ACCC</b>	Australian Competition and Consumer Commission
<b>ACMA</b>	Australian Communications and Media Authority
<b>ACR</b>	Asset Completion Report
<b>ACT</b>	Australian Capital Territory
<b>ADII</b>	Australian Digital Inclusion Index
<b>AEB</b>	Advanced Emergency Braking
<b>AIS</b>	Annual Information Statement
<b>ALGA</b>	Australian Local Government Association
<b>AMCOS</b>	Australasian Mechanical Copyright Owners Society
<b>AML</b>	Advanced Mobile Location
<b>AO</b>	Officer of the Order of Australia
<b>APRA</b>	Australasian Performing Right Association
<b>APS</b>	Australian Public Service
<b>ARTC</b>	Australian Rail Track Corporation
<b>BBRF</b>	Building Better Regions Fund
<b>BCARR</b>	Bureau of Communications, Arts and Regional Research
<b>BITRE</b>	Bureau of Infrastructure and Transport Research Economics
<b>CAL</b>	Copyright Agency Limited
<b>CDG</b>	Community Development Grants
<b>CFA</b>	Collaborative Framework Agreement
<b>CO<sub>2</sub></b>	carbon dioxide
<b>COAG</b>	Council of Australian Governments
<b>COO</b>	Chief Operating Officer
<b>COP 26</b>	2021 UN Climate Change Conference
<b>CSO</b>	Community Service Obligation
<b>DANS</b>	Domestic Aviation Network Support
<b>EEGO</b>	Energy Efficiency in Government Operations

<b>EL</b>	Executive Level
<b>FOI</b>	freedom of information
<b>FSSC</b>	Financial Statements Sub-Committee
<b>GBE</b>	Government Business Enterprise
<b>GDP</b>	gross domestic product
<b>GST</b>	goods and services tax
<b>GVA</b>	gross value added
<b>HILDA</b>	Household, Income and Labour Dynamics in Australia
<b>ICANN</b>	Internet Corporation for Assigned Names and Numbers
<b>ICAO</b>	International Civil Aviation Organization
<b>ICT</b>	information communications and technology
<b>IGA</b>	Intergovernmental Agreement
<b>ILA</b>	Indigenous Languages and Arts
<b>IMO</b>	International Maritime Organization
<b>ITMM</b>	Infrastructure and Transport Ministers' Meeting
<b>ITS</b>	Intelligent Transport System
<b>ITU</b>	International Telecommunication Union
<b>IVAIS</b>	Indigenous Visual Arts Industry Support
<b>MHz</b>	megahertz
<b>MoG</b>	Machinery of Government
<b>MYEFO</b>	mid-year economic and fiscal outlook
<b>NABERS</b>	National Australian Built Environment Rating System
<b>NAIF</b>	Northern Australia Infrastructure Facility
<b>NBN</b>	National Broadband Network
<b>NCI</b>	National Cultural Institution
<b>NRAP</b>	National Rail Action Plan
<b>NRS</b>	National Relay Service
<b>NSW</b>	New South Wales
<b>NT</b>	Northern Territory
<b>NWGA</b>	National Water Grid Authority
<b>NWGF</b>	National Water Grid Fund
<b>OFTT</b>	Office of Future Transport Technology
<b>ONA</b>	Office of Northern Australia
<b>PBS</b>	Portfolio Budget Statements

<b>PGPA</b>	Public Governance, Performance and Accountability
<b>PING</b>	Public Interest News Gathering
<b>PIO</b>	Postal Industry Ombudsman
<b>PoW</b>	Program of Works
<b>PPCA</b>	Phonographic Performance Company of Australia
<b>PPS</b>	Prescribed Performance Standards
<b>PS Act</b>	<i>Public Service Act 1999</i>
<b>PSM</b>	Public Service Medal
<b>Qld</b>	Queensland
<b>RANS</b>	Regional Airline Network Support
<b>RAP</b>	Regional Airports Program
<b>RASS</b>	Remote Air Services Subsidy
<b>RAU</b>	Remote Airstrip Upgrade
<b>RBS</b>	Regional Broadband Scheme
<b>RDA</b>	Regional Development Australia
<b>RIS</b>	Regulation Impact Statement
<b>RISE</b>	Restart Investment to Sustain and Expand
<b>SA</b>	South Australia
<b>SBS</b>	Special Broadcasting Service
<b>SES</b>	Senior Executive Service
<b>SMWSA</b>	Sydney Metro – Western Sydney Airport
<b>SPIDO</b>	Significant Project Investment Delivery Office
<b>STAND</b>	Strengthening Telecommunications Against Natural Disasters
<b>STEM</b>	Science, Technology, Engineering and Mathematics
<b>TANS</b>	Tourism Aviation Network Support
<b>Tas</b>	Tasmania
<b>TIO</b>	Telecommunications Industry Ombudsman
<b>UN</b>	United Nations
<b>UNFCC</b>	United National Framework Convention on Climate Change
<b>UPU</b>	Universal Postal Union
<b>USO</b>	Universal Service Obligation
<b>VAST</b>	Viewer Access Satellite Television
<b>Vic</b>	Victoria
<b>WA</b>	Western Australia

<b>WHS</b>	work health and safety
<b>WRC</b>	World Radiocommunication Conference
<b>WSA</b>	Western Sydney Airport Co Limited
<b>WSI</b>	Western Sydney International (Nancy-Bird Walton) Airport
<b>WTDC</b>	World Telecommunication Development Conference
<b>WTSA</b>	World Telecommunication Standardisation Assembly

# List of requirements

PGPA Rule Reference	Description	Requirement	Part	Page
<b>17AD(g)</b>	<b>Letter of transmittal</b>			
17AI	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report	Mandatory	Letter of transmittal	iii–iv
<b>17AD(h)</b>	<b>Aids to access</b>			
17AJ(a)	Table of contents	Mandatory	Table of contents	vi–vii
17AJ(b)	Alphabetical index	Mandatory	Part 7	299–308
17AJ(c)	Glossary of abbreviations and acronyms	Mandatory	Glossary of abbreviations and acronyms	282–289
17AJ(d)	List of requirements	Mandatory	List of requirements	290–298
17AJ(e)	Details of contact officer	Mandatory	Contact details	ii
17AJ(f)	Entity's website address	Mandatory	Contact details	ii
17AJ(g)	Electronic address of report	Mandatory	Contact details	ii
<b>17AD(a)</b>	<b>Review by accountable authority</b>			
17AD(a)	A review by the accountable authority of the entity	Mandatory	Secretary's review	12–13
<b>17AD(b)</b>	<b>Overview of the entity</b>			
17AE(1)(a)(i)	A description of the role and functions of the entity	Mandatory	Roles and functions	21
17AE(1)(a)(ii)	A description of the organisational structure of the entity	Mandatory	Organisational structure	25–27
17AE(1)(a)(iii)	A description of the outcomes and programmes administered by the entity	Mandatory	Mapping our purposes to outcomes and programs	21–23
17AE(1)(a)(iv)	A description of the purposes of the entity as included in corporate plan	Mandatory	Mapping our purposes to outcomes and programs	21–22



PGPA Rule Reference	Description	Requirement	Part	Page
17AE(1)(aa)(i)	Name of the accountable authority or each member of the accountable authority	Mandatory	Accountable authority	21
17AE(1)(aa)(ii)	Position title of the accountable authority or each member of the accountable authority	Mandatory	Accountable authority	21
17AE(1)(aa)(iii)	Period as the accountable authority or member of the accountable authority within the reporting period	Mandatory	Accountable authority	24
17AE(1)(b)	An outline of the structure of the portfolio of the entity	Portfolio departments – mandatory	Organisational structure	26–29
17AE(2)	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change	If applicable, Mandatory	N/A	
<b>17AD(c)</b>	<b>Report on the Performance of the entity</b>			
	<b>Annual performance Statements</b>			
17AD(c)(i); 16F	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule	Mandatory	Statement of Preparation	56–156
<b>17AD(c)(ii)</b>	<b>Report on Financial Performance</b>			
17AF(1)(a)	A discussion and analysis of the entity's financial performance	Mandatory	Financial performance	14–17
17AF(1)(b)	A table summarising the total resources and total payments of the entity	Mandatory	Table A.1 Entity resource statement	242–252
17AF(2)	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results	If applicable, Mandatory.	N/A	

PGPA Rule Reference	Description	Requirement	Part	Page
<b>17AD(d)</b>	<b>Management and Accountability</b>			
	<b>Corporate Governance</b>			
17AG(2)(a)	Information on compliance with section 10 (fraud systems)	Mandatory	Letter of transmittal	iii–iv
17AG(2)(b)(i)	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared	Mandatory	Letter of transmittal	iii–iv
17AG(2)(b)(ii)	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place	Mandatory	Letter of transmittal	iii–iv
17AG(2)(b)(iii)	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity	Mandatory	Letter of transmittal	iii–iv
17AG(2)(c)	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance	Mandatory	Corporate governance	iii–iv
17AG(2)(d) – (e)	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with Finance law and action taken to remedy non-compliance	If applicable, Mandatory	N/A	
	<b>Audit Committee</b>			
17AG(2A)(a)	A direct electronic address of the charter determining the functions of the entity's audit committee	Mandatory	Audit and Risk Committee	34
17AG(2A)(b)	The name of each member of the entity's audit committee	Mandatory	Appendix B: Audit and Risk Committee members	253–255
17AG(2A)(c)	The qualifications, knowledge, skills or experience of each member of the entity's audit committee	Mandatory	Appendix B: Audit and Risk Committee members	253–255
17AG(2A)(d)	Information about the attendance of each member of the entity's audit committee at committee meetings	Mandatory	Appendix B: Audit and Risk Committee members	253–255

PGPA Rule Reference	Description	Requirement	Part	Page
17AG(2A)(e)	The remuneration of each member of the entity's audit committee	Mandatory	Appendix B: Audit and Risk Committee members	253–255
<b>External Scrutiny</b>				
17AG(3)	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny	Mandatory	External scrutiny	37
17AG(3)(a)	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity	If applicable, Mandatory	N/A	
17AG(3)(b)	Information on any reports on operations of the entity by the Auditor-General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman	If applicable, Mandatory	External scrutiny	37
17AG(3)(c)	Information on any capability reviews on the entity that were released during the period	If applicable, Mandatory	N/A	
<b>Management of Human Resources</b>				
17AG(4)(a)	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives	Mandatory	Human resources management	39–45
17AG(4)(aa)	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: (a) full-time employees; (b) part-time employees; (c) gender (d) staff location	Mandatory	Appendix C: Employee statistics	256–263
17AG(4)(b)	Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following: (a) full-time employees; (b) part-time employees; (c) gender (d) staff location (e) employees who identify as Indigenous	Mandatory	Public Service Act 1999 employees: classification levels, full-time and part-time status, gender, and location	256–264

PGPA Rule Reference	Description	Requirement	Part	Page
17AG(4)(c)	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i>	Mandatory	<i>Public Service Act 1999</i> employees: employment arrangements	42, 264–265
17AG(4)(c)(i)	Information on the number of SES and non-SES employees covered by agreements etc identified in paragraph 17AG(4)(c)	Mandatory	<i>Public Service Act 1999</i> employees: employment arrangements	264–265
17AG(4)(c)(ii)	The salary ranges available for APS employees by classification level	Mandatory	<i>Public Service Act 1999</i> employees: employment arrangements	265
17AG(4)(c)(iii)	A description of non-salary benefits provided to employees	Mandatory	Terms and conditions of employment	42
17AG(4)(d)(i)	Information on the number of employees at each classification level who received performance pay	If applicable, Mandatory	N/A	
17AG(4)(d)(ii)	Information on aggregate amounts of performance pay at each classification level	If applicable, Mandatory	N/A	
17AG(4)(d)(iii)	Information on the average amount of performance payment, and range of such payments, at each classification level	If applicable, Mandatory	N/A	
17AG(4)(d)(iv)	Information on aggregate amount of performance payments	If applicable, Mandatory	N/A	
<b>Assets Management</b>				
17AG(5)	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities	If applicable, mandatory	Assets	46
<b>Purchasing</b>				
17AG(6)	An assessment of entity performance against the Commonwealth Procurement Rules	Mandatory	Purchasing	46–47

PGPA Rule Reference	Description	Requirement	Part	Page
<b>Reportable consultancy contracts</b>				
17AG(7)(a)	A summary statement detailing the number of new reportable consultancy contracts entered into during the period; the total actual expenditure on all such contracts (inclusive of GST); the number of ongoing reportable consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST)	Mandatory	Consultants	46–49
17AG(7)(b)	A statement that “During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$[specified million]”	Mandatory	Consultants	47
17AG(7)(c)	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged	Mandatory	Consultants	47
17AG(7)(d)	A statement that “Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.”	Mandatory	Purchasing	47
<b>Reportable non-consultancy contracts</b>				
17AG(7A)(a)	A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST)	Mandatory	Non-Consultancy Contracts	48–49
17AG(7A)(b)	A statement that “Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.”	Mandatory	Purchasing	47

PGPA Rule Reference	Description	Requirement	Part	Page
<b>17AD(daa)</b>	<b>Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts</b>			
17AGA	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts	Mandatory	Consultants	47–50
<b>Australian National Audit Office Access Clauses</b>				
17AG(8)	If an entity entered into a contract with a value of more than \$100 000 (inclusive of GST) and the contract did not provide the Auditor-General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract	If applicable, Mandatory	N/A	
<b>Exempt contracts</b>				
17AG(9)	If an entity entered into a contract or there is a standing offer with a value greater than \$10 000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters	If applicable, Mandatory	N/A	
<b>Small business</b>				
17AG(10)(a)	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	Procurement initiatives to support small and medium enterprises and Aboriginal and/or Torres Strait Islander businesses	49
17AG(10)(b)	An outline of the ways in which the procurement practices of the entity support small and medium enterprises	Mandatory	Procurement initiatives to support small and medium enterprises and Aboriginal and/or Torres Strait Islander businesses	49–50

PGPA Rule Reference	Description	Requirement	Part	Page
17AG(10)(c)	If the entity is considered by the Department administered by the Finance Minister as material in nature – a statement that “[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury’s website.”	If applicable, Mandatory	Procurement initiatives to support small and medium enterprises and Aboriginal and/or Torres Strait Islander businesses	50
<b>Financial Statements</b>				
17AD(e)	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act	Mandatory	Part 5: Financial statements	160–239
<b>Executive Remuneration</b>				
17AD(da)	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2-3 of the Rule	Mandatory	Appendix D: Executive remuneration	267–270
<b>17AD(f) Other Mandatory Information</b>				
17AH(1)(a)(i)	If the entity conducted advertising campaigns, a statement that “During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.”	If applicable, Mandatory	Appendix E: Advertising and market research	271–272
17AH(1)(a)(ii)	If the entity did not conduct advertising campaigns, a statement to that effect	If applicable, Mandatory	N/A	
17AH(1)(b)	A statement that “Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity’s website].”	If applicable, Mandatory	Grants	50
17AH(1)(c)	Outline of mechanisms of disability reporting, including reference to website for further information	Mandatory	Disability reporting	44
17AH(1)(d)	Website reference to where the entity’s Information Publication Scheme statement pursuant to Part II of FOI Act can be found	Mandatory	Information Publication Scheme	36

PGPA Rule Reference	Description	Requirement	Part	Page
17AH(1)(e)	Correction of material errors in previous annual report	If applicable, mandatory	Appendix L: Corrections to previous Annual Report	279
17AH(2)	Information required by other legislation	Mandatory	Part 6: Appendices	241–279
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	Ecologically sustainable development and environmental performance (section 516A of the <i>Environment Protection and Biodiversity Conservation Act 1999</i> )		Appendix F: Ecologically sustainable development and environmental performance	273
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