



## Fact Sheet 30 June 2023

### Standard Parameters

for use in financial statements for the financial reporting period ending 30 June 2023

The following standard parameters should be used by Commonwealth entities<sup>1</sup> in the preparation of their 2022-23 financial statements. Entities should carefully consider the nature and type of an accounting calculation before selecting a discount rate to be used.

Parameter	Value	Website
<b>Consumer Price Index</b> <u>Forecasts at 30 June 2023</u> (per 2023-24 Budget)	2022-23 6.00% 2023-24 3.25% 2024-25 2.75% 2025-26 2.50% 2026-27 2.50%	Available on <a href="http://budget.gov.au">budget.gov.au</a> in: Budget Paper No. 1 - Budget Strategy and Outlook Statement 1, Table 1.1: Major economic parameters (page 6) <sup>2</sup>
<b>Wage Price Index<sup>3</sup></b> <u>Forecasts at 30 June 2023</u> (per 2023-24 Budget)	2022-23 3.75% 2023-24 4.00% 2024-25 3.25% 2025-26 3.25% 2026-27 3.50%	Available on <a href="http://budget.gov.au">budget.gov.au</a> in: Budget Paper No. 1 - Budget Strategy and Outlook Statement 1, Table 1.1: Major economic parameters (page 6) <sup>4</sup>
<b>Real Gross Domestic Product<sup>5</sup></b> <u>Forecasts at 30 June 2023</u> (per 2023-24 Budget)	2022-23 3.25% 2023-24 1.50% 2024-25 2.25% 2025-26 2.75% 2026-27 2.75%	Available on <a href="http://budget.gov.au">budget.gov.au</a> in: Budget Paper No. 1 - Budget Strategy and Outlook Statement 1, Table 1.1: Major economic parameters (page 6) <sup>6</sup>

Parameter	Value	Website
<b>Commonwealth Government Bonds (yields) at 30 June 2023</b>		
<u>Short term</u>		
2 years	4.18%	<a href="https://www.rba.gov.au/statistics/tables/#interest-rates">https://www.rba.gov.au/statistics/tables/#interest-rates</a> (table: <i>Capital Market Yields – Government Bonds – Daily – F2</i> )
3 years	4.03%	
5 years	3.95%	
<u>Long term</u>		
10 years <sup>7</sup>	4.03%	
<u>Longest dated Treasury Bond at 30 June 2023 (Jun 2051)<sup>8</sup></u>	4.34%	<a href="https://www.afr.com/markets-data/bonds-and-currencies">https://www.afr.com/markets-data/bonds-and-currencies</a> (table: Australian Government Bonds, <i>Australian Financial Review</i> website, accessed 1 July 2023)
<u>Rate from Long-term Cost Report</u> (for budget purposes)	5.0%	<i>PSS and CSS Long Term Cost Report 2020<sup>9</sup></i>
<b>Group of 100 Discount Rate<sup>10</sup></b> (used by for-profit Corporate entities only)	See website	<a href="http://au.milliman.com/G100_Discount_Rates/">http://au.milliman.com/G100_Discount_Rates/</a>  The 30 June 2023 Group of 100 discount rate will be available for purchase from 1 July 2023 (\$220 GST inclusive).
<b>Exchange Rates</b>		
<u>RBA/XE.com – 30 June 2023 rates</u>		
Canadian dollar	0.8818	<a href="https://www.rba.gov.au/statistics/historical-data.html#exchange-rates">https://www.rba.gov.au/statistics/historical-data.html#exchange-rates</a> (F11.1 Exchange Rates: 2023 to Current)  and <a href="https://www.xe.com/currencytables/">https://www.xe.com/currencytables/</a> (XE.com historical rate tables at 30 June 2023 – for Canadian dollar and Papua New Guinea kina only)
Chinese renminbi	4.8079	
European euro	0.6099	
Hong Kong dollar	5.1951	
Indian rupee	54.40	
Indonesian rupiah	9940	
Japanese yen	95.92	
Malaysian ringgit	3.1022	
New Taiwan dollar	20.63	
New Zealand dollar	1.0883	
Papua New Guinea kina	2.3792	
Singapore dollar	0.8986	
South Korean won	874.21	
Swiss franc	0.5957	
Thai baht	23.62	
UK pound sterling	0.5250	
United States dollar	0.6630	
Vietnamese dong	15636	
<b>Trade-weighted Index (4pm)</b>	<b>61.70</b>	
Special Drawing Right	0.4971	



Parameter	Value	Website
<b>Rates for Market Sensitivity Analysis<sup>11</sup></b>		
Interest Rate sensitivity analysis standardised rate ( <b>IRSA rate</b> )	1.04%	Not applicable.
Foreign Exchange sensitivity analysis standardised rate ( <b>FXSA rate</b> )	8.48%	Not applicable.



### Long Service Leave (LSL) – Shorthand method standard factors for calculating LSL entitlements transfers

The following factors can be used in the calculation of LSL entitlement transfers of Australian Public Service (APS) staff between Commonwealth entities<sup>12</sup> within human resource management information systems. The Salary Growth Rate (SGR) chosen should reflect each entity’s expected long-term (10 year) salary growth rate for its staff. These factors are not appropriate for use by private sector or state/territory government entities. There are separate probability factors contained within the 2023 LSL shorthand model.

Completed years of service	Probability weights
0	55.0%
1	65.0%
2	70.0%
3	75.0%
4	80.0%
5	85.0%
6	90.0%
7	90.0%
8	95.0%
9	100.0%
10+	100.0%

Salary Growth Rate	1.00%	1.25%	1.50%	1.75%	2.00%	2.25%	2.50%	2.75%	3.00%	3.25%	3.50%	3.75%	4.00%	4.25%	4.50%	4.75%	5.00%
1.00%	100.0%	98.1%	96.2%	94.4%	92.7%	91.0%	89.3%	87.8%	86.3%	84.8%	83.4%	82.0%	80.6%	79.3%	78.1%	76.9%	75.7%
1.50%	104.1%	102.0%	100.0%	98.1%	96.2%	94.4%	92.7%	91.0%	89.4%	87.8%	86.3%	84.8%	83.4%	82.0%	80.7%	79.4%	78.2%
2.00%	108.5%	106.2%	104.1%	102.0%	100.0%	98.1%	96.3%	94.5%	92.7%	91.1%	89.4%	87.9%	86.4%	84.9%	83.5%	82.1%	80.8%
2.50%	113.1%	110.7%	108.4%	106.2%	104.1%	102.0%	100.0%	98.1%	96.3%	94.5%	92.8%	91.1%	89.5%	87.9%	86.4%	85.0%	83.6%
3.00%	118.1%	115.5%	113.1%	110.7%	108.4%	106.2%	104.1%	102.0%	100.0%	98.1%	96.3%	94.5%	92.8%	91.1%	89.5%	88.0%	86.5%
3.50%	123.4%	120.7%	118.0%	115.4%	113.0%	110.6%	108.3%	106.2%	104.0%	102.0%	100.0%	98.1%	96.3%	94.5%	92.8%	91.2%	89.6%
4.00%	129.1%	126.2%	123.3%	120.5%	117.9%	115.4%	112.9%	110.6%	108.3%	106.1%	104.0%	102.0%	100.0%	98.1%	96.3%	94.6%	92.9%
4.50%	135.3%	132.1%	129.0%	126.0%	123.2%	120.4%	117.8%	115.3%	112.9%	110.5%	108.3%	106.1%	104.0%	102.0%	100.0%	98.2%	96.3%
5.00%	141.8%	138.4%	135.0%	131.9%	128.8%	125.9%	123.0%	120.3%	117.7%	115.2%	112.8%	110.5%	108.2%	106.1%	104.0%	102.0%	100.0%



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<sup>1</sup> <https://www.finance.gov.au/government/managing-commonwealth-resources/structure-australian-government-public-sector/pgpa-act-flipchart-and-list>

<sup>2</sup> <https://budget.gov.au/content/bp1/index.htm>

<sup>3</sup> Seasonally adjusted, through-the-year growth to the June quarter.

<sup>4</sup> <https://budget.gov.au/content/bp1/index.htm>

<sup>5</sup> Real rates are nominal rates adjusted for inflation.

<sup>6</sup> <https://budget.gov.au/content/bp1/index.htm>

<sup>7</sup> The Long Service Leave shorthand model uses the 10 year Treasury bond rate.

<sup>8</sup> Only to be used where the longest dated government bond is appropriate under accounting standards, that is, it is a close match to the expected average maturity of a liability.

<sup>9</sup> <https://www.finance.gov.au/government/superannuation/superannuation-costs-and-reports/pss-and-css-long-term-cost-reports>.

<sup>10</sup> For-profit entities, that use a corporate bond yield, will also be required to prepare calculations using a government bond yield for the purpose of preparing Australian Government Consolidated Financial Statements, which is collected in the supplementary reporting pack.

<sup>11</sup> Standard rates are required by subsection 16(8) of the [Public Governance, Performance and Accountability \(Financial Reporting\) Rule 2015](#) – market risk sensitivity analysis.

These rates are issued by the Department of Finance and are based on Reserve Bank of Australia data.

<sup>12</sup> <https://www.finance.gov.au/government/managing-commonwealth-resources/structure-australian-government-public-sector/pgpa-act-flipchart-and-list>