

Audit report of the 2023–24
annual performance statements

Department of Industry, Science and
Resources



INDEPENDENT AUDITOR'S REPORT on the 2023-24 Annual Performance Statements of the Department of Industry, Science and Resources

To the Minister for Finance

Conclusion

In my opinion, the 2023-24 Annual Performance Statements of the Department of Industry, Science and Resources (DISR):

- present fairly DISR's performance in achieving its purposes for the year ended 30 June 2024; and
- are prepared, in all material respects, in accordance with the requirements of Division 3 of Part 2-3 of the *Public Governance, Performance and Accountability Act 2013* (the PGPA Act).

Audit criteria

In order to assess whether DISR's annual performance statements complied with Division 3 of Part 2-3 of the PGPA Act, I applied the following criteria:

- whether the entity's key activities, performance measures and specified targets are appropriate to measure and assess the entity's performance in achieving its purposes;
- whether the performance statements are prepared based upon appropriate records that properly record and explain the entity's performance; and
- whether the annual performance statements present fairly the entity's performance in achieving the entity's purposes in the reporting period.

Accountable Authority's responsibilities

As the Accountable Authority of DISR, the Secretary is responsible under the PGPA Act for:

- the preparation of annual performance statements that accurately present DISR's performance in the reporting period and comply with the requirements of the PGPA Act and any requirements prescribed by the Public Governance, Performance and Accountability Rule 2014 (the PGPA Rule);
- keeping records about DISR's performance as required by the PGPA Act; and
- establishing internal controls that the Accountable Authority determines are appropriate to enable the preparation of annual performance statements.

Auditor's responsibilities for the audit of the performance statements

My responsibility is to conduct a reasonable assurance engagement to express an independent opinion on DISR's annual performance statements.

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which include the relevant Standard on Assurance Engagements (ASAE) 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Auditing and Assurance Standards Board.

I plan and perform my procedures to obtain reasonable assurance about whether the annual performance statements of the entity present fairly the entity's performance in achieving its purposes and comply, in all material respects, with the PGPA Act and Rule.

The nature, timing and extent of audit procedures depend on my judgment, including the assessment of the risks of material misstatement, whether due to fraud or error, in the annual performance statements. In making these risk assessments, I obtain an understanding of internal controls relevant to the preparation of the annual performance statements in order to design procedures that are appropriate in the circumstances.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Independence and quality control

I have complied with the independence and other relevant ethical requirements relating to assurance engagements, and applied Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements* in undertaking this assurance engagement.

Inherent limitations

Because of the inherent limitations of an assurance engagement, it is possible that fraud, error or non-compliance may occur and not be detected. An assurance engagement is not designed to detect all instances of non-compliance of the annual performance statements with the PGPA Act and the Rule as it is not performed continuously throughout the period and the assurance procedures performed are undertaken on a test basis. The reasonable assurance conclusion expressed in this report has been formed on the above basis.

Australian National Audit Office



Michael White

Senior Executive Director

Delegate of the Auditor-General

Canberra

Date 2/10/2024



Statement of preparation

I, Meghan Quinn PSM, as the accountable authority of the Department of Industry, Science and Resources, present the annual performance statements 2023–24 of the Department of Industry, Science and Resources, as prepared for paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). In my opinion, the annual performance statements accurately present the department’s performance in the reporting period and comply with subsection 39(2) of the PGPA Act.

Meghan Quinn PSM
Secretary

1 October 2024

Structure of performance statements

The department's annual performance statements 2023–24:

- describe the alignment of performance measures with its purposes and key activities
- report on each performance measure, including:
 - results against the target
 - comparison with the previous year's results, where applicable
 - qualitative analysis for the measure
 - identification of limitations, where applicable
 - identification of relevance to regulator performance, where applicable.

The department applies a mix of measure types to assess performance:



Output measures assess the quantity and quality of goods and services produced (including their volume or quantity).



Efficiency measures are generally expressed as a ratio of inputs to outputs, where efficiency involves maximising outputs for a given volume of inputs. The timely delivery of an output is used as a proxy for efficiency for some measures.



Effectiveness measures assess how well the department has delivered on its purposes, and where activities have had the intended impact or contributed to achieving the purposes.

Changes to the performance measures from the Corporate Plan 2023–24

The department adjusted its performance measures to better reflect activities that achieve its purposes and strengthen reporting processes. In 2023–24, the department continued to engage actively with the Australian National Audit Office (ANAO) during the audit of the performance statements, building on lessons learnt through the first ANAO audit in 2022–23. This resulted in changes to performance measures that are in the department's Corporate Plan 2023–24, as described in Table 2.

Table 2: Changes in performance measures

Performance measure	Description of changes from Corporate Plan 2023–24
5 – Proportion of major projects that are compliant with their approved Australian Industry Participation (AIP) plans	The target '100% of compliance reports without a breach where legislative sanctions were applied' was amended from '100% of compliance reports without a breach requiring the use of legislative sanctions' to better reflect the operation of the <i>Australian Jobs Act 2013</i> .
6 – Anti-Dumping Commission compliance with legislated and World Trade Organization timeframes is maintained or improved	The target 'Timeframes for the completion of the majority of case types are maintained or improved' was amended from 'Timeframes for the completion of all case types are maintained or improved' to account for fluctuations between and within case types year-on-year.
9 – Number of businesses establishing research-focused collaborations that are facilitated by portfolio programs	The target 'Maintain the number of businesses collaborating year-on-year compared to the average of the preceding 2 years for equivalent program' was amended from 'Maintain the number of businesses collaborating year-on-year' to better reflect how performance is maintained within tolerance limits over time.
16 – Supporting radioactive waste disposal policy for Nuclear Powered Submarines through Australian Radioactive Waste Agency advice	Introduced in the Portfolio Budget Statements 2024–25, this is a new measure under key activity 1.3 that reflects the Australian Radioactive Waste Agency (ARWA) work in the Nuclear-Powered Submarine Program led by the Department of Defence.
17 – National Measurement Institute (NMI) engagement with traders increases compliance with fair measure regulations	Introduced in the Portfolio Budget Statements 2024–25, this is a new measure under key activity 1.2 that focuses on the effectiveness of NMI's compliance activities through interactions with businesses under the <i>National Measurement Act 1960</i> .
18 – Decommissioning the Northern Endeavour and Laminaria-Corallina oil fields	This is a new measure under key activity 1.3 that reflects the department's responsibility to decommission the Northern Endeavour and Laminaria-Corallina oil fields.

Results










In 2023–24, 18 performance measures were monitored for progress against the department’s purposes and key activities. These included a mix of output, efficiency and effectiveness measures.










Of the 18 performance measures:

- 14 were met
- 3 were partially met
- one was not met.

Table 3 summarises results for each performance measure. It shows alignment with the department’s key activities and Portfolio Budget Statements (PBS) program.

Table 3: Overview of performance measures by measure type and result

Key activity	PBS program	Measure type	Measure title	Result
1.1	1.1	Effectiveness 	1. Business co-investment through portfolio initiative funding	Partially met
1.1	1.1	Output 	2. Proportion of grants and services delivered to regional businesses	Not met
1.1	1.1	Effectiveness 	3. Applicant satisfaction with the overall experience of the grants application process through the business.gov.au portal	Partially met
1.1	1.1	Effectiveness 	4. Effective regulation to assure the safety and security of space activities	Met
1.1	1.1	Effectiveness 	5. Proportion of major projects that are compliant with their approved AIP plans	Met
1.1	1.1	Efficiency 	6. Anti-Dumping Commission compliance with legislated and World Trade Organization timeframes is maintained or improved	Partially met
1.1	1.2	Efficiency 	7. Applications for registration of research and development activities through the Research and Development Tax Incentive (R&DTI) are processed within designated timeframes	Met
1.2	1.1	Effectiveness 	8. Grow the number of technology-related jobs to 1.2 million by 2030	Met
1.2	1.2	Effectiveness 	9. Number of businesses establishing research-focused collaborations that are facilitated by portfolio programs	Met

Key activity	PBS program	Measure type	Measure title	Result
1.2	1.2	Effectiveness 	10. Percentage of Questacon's national STEM events reaching lower socioeconomic, regional and remote communities	Met
1.2	1.2	Effectiveness 	11. Raising awareness of the importance of STEM through the delivery of portfolio initiatives	Met
1.2	1.2	Effectiveness 	12. Number of third-party accreditations maintained to ensure NMI measurement services meet national and international best practice	Met
1.3	1.3	Output 	13. Grow Australia's critical minerals sector, including by supporting development of downstream processing capacity	Met
1.3	1.3	Output 	14. Increase opportunities for resources project investment	Met
1.3	1.3	Efficiency 	15. National Offshore Petroleum Titles Administrator (NOPTA) published assessment timeframes for applications made under the <i>Offshore Petroleum and Greenhouse Storage Act 2006</i> are met 90% of the time	Met
1.3	1.4	Output 	16. Supporting radioactive waste disposal policy for Nuclear Powered Submarines through ARWA advice	Met
1.2	1.2	Effectiveness 	17. NMI engagement with traders increases compliance with fair measure regulations	Met
1.3	1.3	Effectiveness 	18. Decommissioning the Northern Endeavour and Laminaria-Corallina oil fields	Met

Key activity 1.1 – growing innovative and competitive business, industries and regions

This activity aims to support the growth of innovative and competitive businesses, industries and regions. It aims to build a diversified, flexible, resilient and dynamic economic base that can identify and adapt to new markets and emerging opportunities. It relates to PBS 2023–24 Outcome 1, Program 1.1, and investment in commercialisation under Program 1.2.

1. Business co-investment through portfolio initiative funding

	2022–23 result	2023–24 result
Target		
Maintain an average of at least \$1.20 of business co-investment for every \$1 of grant funding for portfolio programs that require business co-investment	\$2.83 for every \$1 of grant funding	\$1.78 for every \$1 of grant funding
Assessment	Met	Partially met

Background and analysis of result

Business co-investment in targeted industries, including manufacturing and commercialisation, supports sustainable, industry-led growth and job creation. It also contributes to growing innovative and competitive businesses that can boost the productivity of the economy. This measure tracks business co-investment in programs across targeted industries.

Although the outcome of \$1.78 of co-investment for every \$1 of grant funding surpasses the target at an aggregate level, the department’s methodology for meeting the target requires that the majority of contributing programs achieve this result as well as the aggregate of grant programs overall. In 2023–24, only 5 of 11 individual programs met the performance target, leading to a result of partially met (see Table 4).

The 2022–23 result of \$2.83 was largely driven by programs targeting the manufacturing sector. The 2023–24 result indicates that, among established sectors, business contributions remain high. However, an increased proportion of in-scope programs targeted towards building emerging sectors such as space and renewables (13.3% in 2022–23, compared with 27.3% in 2023–24) has led to a lower overall result than previous years.

Programs targeted at emerging sectors often have lower co-contribution requirements by design to encourage innovation and investment in new sectors that do not have the same level of private sector funding as more established industries. Reducing the co-investment requirement for emerging industries is considered necessary to ensure the success of these industries. As these sectors become more established over time, the co-investment seen from business may also increase.

For example, at the time the Moon to Mars initiatives were developed, there was limited opportunity for the Australian space sector to attract co-investment. Recognising this, the co-contribution requirement for Moon to Mars Supply Chain Capability Improvement and Demonstrator Mission grants was set at \$0.25 for every \$1 of grant funding. The requirement was exceeded for both programs in 2023–24. Moon to Mars initiatives are modelled to have a high return on investment over the longer term, comparable to other similar space government funding programs internationally.

Table 4: Departmental programs with investments

Program	Dollars invested for every \$1 of grant funding
AI Adopt Program	\$1.26
Boosting Female Founders Initiative Round 3	\$1.34
Cooperative Research Centres Projects Round 14	\$1.43
Cooperative Research Centres Projects Round 15	\$1.51
Cooperative Research Centres Program Round 24	\$2.40
Entrepreneurs' Programme – Accelerating Commercialisation Grant	\$1.00
Entrepreneurs' Programme – Growth Grant	\$1.00
Entrepreneurs' Programme – Innovation Connections Grant	\$1.02
Moon to Mars Initiative: Demonstrator Mission	\$0.33
Moon to Mars Initiative: Supply Chain Capability Improvement Grants	\$0.40
Powering Australia Industry Growth Centre	\$0.71

Limitations

Data provided as part of this measure was based on the contracted business contribution and grant amount for contracts in scope for the reporting period. Actual co-contributions cannot be determined until progress or final reporting, which often occurs outside the reporting period and is unlikely to vary significantly from the contracted funding ratio. The department monitors the progress of projects to ensure grantees are meeting their contractual requirements.

Continued targeting of support for emerging industry sectors over more established sectors may lead to a lower result within this performance measure.

The use of co-investment rates provides an indication of the effectiveness of the grants in stimulating private sector investment. This metric does not capture additional contributions these investments may make to broader economic activity. These contributions are likely to accumulate over time, which would increase the overall impact of the grants.

2. Proportion of grants and services delivered to regional businesses

	2022–23 result	2023–24 result
Target		
25% or more of total grants or services delivered to regional businesses	32%	15%
Assessment	Met	Not met

Background and analysis of result

Helping unlock the potential of our regions by supporting regional businesses aids Australia's long-term growth and sustainability. Measuring the proportion of grants and services being delivered in the regions is one measure of the support provided to regional businesses.

The result for 2023–24 was less than the 25% target, with only 15% of grants and services delivered to regional businesses. The decrease from 2022–23 reflects the closure of the Entrepreneurs' Programme¹, which previously accounted for 91% of in-scope grants and services, with 32% of those having gone to regional business.

Of the programs in scope for contribution to this performance measures there are 5 that influence this result:

- Science programs continued to have good regional engagement, with regional delivery making up 27% of grants awarded under the Student Sponsorship Program and 47% of grants awarded under the National Science Week Grants Program.
- The majority (85%) of Industry Growth Program advisory services were delivered in major cities, with the remaining 15% of advisory services delivered in regional areas across Australia since the program opened in November 2023.
- Cooperative Research Centres Projects Round 14 and 15 – both rounds had less than 10% of their grants awarded to regionally based organisations, which is in line with previous rounds of the program.

The department provided a wide range of support to regional business beyond grant funding. Many of the department's resources and science activities directly engaged and supported regional business. In addition, the department's network of regional managers is based across Australia in regional communities, engaging with regional businesses. The network provides personalised and tailored guidance to local businesses to help them grow their operations, commercialise ideas and access new markets.

This measure will be replaced in 2024–25 to capture the regional manager network, which better reflects the diversity of the department's support to regions.

¹ All elements of the Entrepreneurs' Programme were closed by 9 May 2023.

Limitations

Data used in this measure is based on the address of the business. The delivery of the grant or service may in fact occur at different project locations. For example, a grantee may have a head office located within a city (and this is the address captured in the measure), but the project activity takes place at a regional location elsewhere. This means the actual location of project work is not factored into this measure.

3. Applicant satisfaction with the experience of the grants application process through the business.gov.au portal

	2022–23 result	2023–24 result
Target		
Year-on-year maintenance or increase in the proportion of applicants who are satisfied or very satisfied	Baseline set: 90%	86%
Assessment	Met	Partially met

Background and analysis of result

The Business Grants Hub (BGH) processes thousands of grant applications each year from businesses, other organisations and individuals through the business.gov.au portal. In 2023–24, BGH delivered programs on behalf of the department and 11 other client agencies.

An application process that meets the needs of customers makes it easier for businesses to engage with government and access the support they need to grow, and provides greater consistency to businesses when engaging with government grants. This measure indicates whether business and other organisations are satisfied with the application process.

The result was lower than the 90% benchmark set within 2022–23, but the performance measure is partially met as combined satisfied and neutral responses are greater than 90%:

- 86% of respondents reported being satisfied or very satisfied with the grant application process
- 12% of respondents were neither satisfied nor dissatisfied
- 2% of respondents were dissatisfied or very dissatisfied.

The lower result compared to last financial year reflects a reduction in the volume of applicants for eligibility-based programs, in contrast to merit-based programs. Grant programs that award funding on the basis of meeting the eligibility criteria, tend to receive higher satisfaction scores than merit-based programs, which require applicants to respond to additional merit criteria and generally take more time to complete. Eligibility programs made up only 56% of responses in 2023–24, compared with 84% in 2022–23. When factoring in program type, the performance result is lower for eligibility programs and higher for merit programs compared to 2022–23, as shown in Table 5.

Table 5: Comparison of eligibility and merit programs across financial years

Program type	2022–23 result	2023–24 result
Eligibility result	93%	88%
Merit result	77%	83%
Total	90%	86%

The reduction in satisfaction for eligibility programs was particularly influenced by 2 large programs:

- Energy Efficiency Grants for SMEs Round 2 (86% satisfied)
- On Farm Connectivity Program Round 1 (86% satisfied).

The business.gov.au portal was negatively affected by the large volume of applicants, which led to portal outages and slow application loading times during the application phase of Energy Efficiency Grants for SMEs. Applicants who responded as neutral or dissatisfied cited portal issues as the reason for their selected response. Work is underway to improve performance of the portal.

For the On Farm Connectivity Program, funding is indirectly provided to ‘primary producers’, who must apply for the program through an eligible ‘equipment supplier’. The involvement of 2 parties, and the need for equipment suppliers to submit multiple applications for each primary producer accessing the program through them, led to a high volume of neutral responses from applicants. Written feedback indicated applicants felt the process was not straightforward and required a lot of duplication in submitting information. A program retrospective was undertaken to determine how future rounds of the program might be improved.

The results for 2023–24 demonstrate the importance of applying lessons learnt to future program rounds. The department will consider the insights highlighted above in future program design, as part of a continued focus on making business–government interactions easier.

The department is giving consideration to extending this measure in future reporting periods to capture additional feedback available later in the grants lifecycle.

Limitations

While the application form explicitly states the satisfaction question is not considered in the assessment process, it is possible some applicants may still believe a positive response would result in a more favourable assessment of their application.

Satisfaction information is only available for 79% of total applications submitted within the period. Survey questions were included as standard practice in application design in February 2023, but there can be a significant delay between design and applications opening. This resulted in the following programs (equating to 21% of all applications) launching during the financial year without the satisfaction question embedded in the process:

- Automatic Dependent Surveillance Broadcast Rebate Program
- Australia-US Multidisciplinary University Research Initiative
- Boosting Female Founders Initiative Round 3 Grant
- Business Research and Innovation Initiative: Automatic Mutual Recognition of Occupational Registration – Proof of Concept
- Centre for Defence Industry Capability Sovereign Industrial Capability Priority Grants
- Cooperative Research Centres Round 24 Grants – Stage 2
- Coronavirus SME Guarantee Scheme – Phase 1
- Coronavirus SME Guarantee Scheme – Phase 2
- Defence Global Competitiveness Grants Program
- Establishing a Food Manufacturing Innovation Hub
- International Space Investment: Open Doors
- Joint Strike Fighter Industry Support Program – Production and Modernisation
- Joint Strike Fighter Industry Support Program – Sustainment Grants
- Office of Defence Industry Support
- Regional and Remote Airport Security Awareness Program
- Skilling Australia's Defence Industry Grants Program
- SME Recovery Loan Scheme
- Stronger Communities Programme Round 8
- Youpla Group Funeral Benefits Program.

4. Effective regulation to assure the safety and security of space activities

	2022–23 result	2023–24 result
Target		
Zero:		
• fatalities	Nil	Nil
• serious injuries	Nil	Nil
• damage to other property	Nil	Nil
Assessment	Met	Met

Background and analysis of result

Space capability contributes to Australia’s prosperity, national security and management of global challenges such as climate change. The space sector diversifies and advances Australia’s economy, including enabling new and emerging technologies in communications, remote operations, robotics, automation and transport.

The Office of the Space Regulator within the Australian Space Agency is responsible for regulation of Australian space activities and high-power rockets under the *Space (Launches and Returns) Act 2018*. The Office of the Space Regulator’s purpose is to provide an internationally recognised regulatory framework that enables entrepreneurship and sector growth while assuring risks to safety and other national interests are managed appropriately. This includes ensuring Australia implements its obligations under United Nations space treaties.

This measure assesses the Office of the Space Regulator’s performance as a safety regulator by tracking the number of fatalities, serious injuries and damage to other property during the reporting period.

There were zero fatalities, serious injuries or damage to other property as a result of 10 authorised space activities undertaken in 2023–24. Factors that contributed to this result included:

- appropriate regulation and supporting guidance material in place under the *Space (Launches and Returns) Act 2018*
- authorisation and ongoing oversight by competent personnel
- ongoing continuous improvement to improve the regulatory framework, guidance materials, training and internal assessment procedures based on Australian experience as well as collaboration with international counterparts.

There were 13 space activities authorised in 2023–24. This is a significant increase compared to previous years (5 activities were authorised in 2022–23 and 7 activities in 2021–22). This trend is expected to continue as space launch and return becomes more accessible for Australian firms and foreign firms seeking to operate from Australia, including from the United States under the Technology Safeguards Agreement. The activities are also expected to become more complex, including an increased proportion of orbital launch attempts, compared to deployment of small Australian satellites for launch from another country, which constitutes most of the Australian space activities to date.

Not all activities are undertaken in the year they are authorised. Of the 10 space activities undertaken in 2023–24, 2 were authorised in the previous year.

Limitations

The number or trend of authorised space activities associated with this performance measure is not a measure of total Australian commercial space activity. The *Space (Launches and Returns) Act 2018* applies only to limited upstream activities in the space sector value chain, typically involving spaceflight. Most Australian commercial space firms operate in other areas of the space sector value chain, including but not limited to, communications, position, navigation and timing, earth observation, space situational awareness, robotics and artificial intelligence, space medicine, planetary science and astronomy.

5. Proportion of major projects that are compliant with their approved Australian Industry Participation plans

	2022–23 result	2023–24 result
Target		
100% of compliance reports without a breach where legislative sanctions were applied	100%	100%
Assessment	Met	Met

Background and analysis of result

The main objective of the *Australian Jobs Act 2013* (Jobs Act) is to support the creation and retention of Australian jobs. It requires proponents of eligible productive facilities with capital expenditure of \$500 million or more to prepare and implement an AIP plan. This ensures that Australian entities have the opportunity to tender for the supply of key goods or services through all stages of the project. They also receive assistance with capability development and integration into global supply chains. This contributes to growing competitive Australian industries, jobs, and secure and reliable supply chains, in line with the objective of the Jobs Act.

As the regulator for the Jobs Act, a key function of the AIP Authority (AIPA) is to approve AIP plans for major projects and to monitor projects through compliance reporting to ensure they are supporting the objective of the Act. Through this process, the AIPA helps ensure Australian entities are provided full, fair and reasonable opportunity to supply key goods to major Australian projects. AIPA provides feedback to project proponents on draft AIP plans and compliance reports. This measure reports on non-compliance where legislative sanctions were applied by the AIPA, as well as the number of feedback rounds provided prior to compliance reports being found acceptable.

The AIPA provided information and guidance to help proponents achieve compliance and no compliance breaches were found where legislative sanctions were applied in 2023–24. Should a compliance report reveal that a project proponent or facility operator is deliberately engaging in any conduct in contravention of the Jobs Act Division 2 – AIP plan rules, such as awarding a contract for key goods or services valued at \$1 million or more directly to an overseas supplier without developing an understanding of Australian suppliers' capability, or failing to advertise this package without an acceptable excuse, the AIPA would consider applying a legislative sanction. Since the introduction of the Jobs Act in 2013, no conduct of this nature has been detected.

The AIPA focus on education included a best-practice user guide and providing feedback on proponents' reports. The feedback assisted proponents that were new to the reporting process, as well as experienced proponents that needed further information and clarification. It also helped in instances where there had been changes to the project, including key personnel.

The AIPA assessed 201 compliance reports from 119 major projects in 2023–24. All 201 compliance reports were found to support the objective of the Jobs Act and were verified through provision of evidence by project proponents in their reporting. Table 6 shows 85 (42.3%) compliance reports were found acceptable on initial submission by proponents. For the remaining 116 (57.7%) compliance reports, the AIPA worked closely with proponents, providing on average 3 rounds of feedback, before each report was accepted. Through these rounds of feedback, the AIPA guided proponents in providing the relevant information, clarification and supporting evidence required in their reports to demonstrate their compliance with the requirements of the Jobs Act during each reporting period.

One of the main challenges for proponents in providing acceptable compliance reports is their level of knowledge and experience in the AIP process, which is often reduced by the frequent changeover and loss of key project personnel. For reports that were not acceptable on initial submission, case officers educated proponents on the obligations of the Jobs Act, the key actions for implementation under their approved AIP plan, compliance reporting requirements and critical evidence that should be collected throughout each reporting period for inclusion in compliance reports. Less feedback is required as proponents build their experience and understanding of the AIP process over successive compliance reports and multiple projects.

Table 6: Summary of compliance reports

	Found acceptable on initial submission	Found acceptable after 1 round of feedback	Found acceptable after 2 rounds of feedback	Found acceptable after 3+ rounds of feedback
Number	85	58	29	29
Percentage	42%	29%	14%	14%

The AIPA builds trust with project proponents through open communication and transparent processes that help them to understand the objective and obligations of the Jobs Act. The AIPA approach is in line with the Department of Finance's Resource Management Guide 128 (RMG 128)² best practice principle 3 – feedback assists project proponents to prepare robust, well supported AIP plans and compliance reports, helping to promote compliance and avoid unnecessary administrative burden.

From 2024–25, the AIPA is changing its approach to administering the Jobs Act to better support compliance reporting within the 3-month timeframe stipulated in the Act. This will be undertaken with continued alignment with the best practice principles of RMG 128. This measure will be replaced in 2024–25 to reflect this change and support future reporting on the effectiveness of the AIPA.

Limitations

For this measure, the department reported on serious non-compliance relating to not achieving the objective of the Jobs Act, where legislative sanctions were applied. This non-compliance relates to the quality of actions undertaken or not undertaken by a proponent. It does not report non-compliance relating to timeliness of proponents submitting reports. The new measure in 2024–25 will capture this element of non-compliance.

6. Anti-Dumping Commission compliance with legislated and World Trade Organization timeframes is maintained or improved

	2022–23 result	2023–24 result
Target		
Timeframes for the completion of the majority of case types are maintained or improved	Baseline set	3 of 6 case types had maintained or improved timeframes for completion
Assessment	Baseline set	Partially met

² Further details on RMG 128 can be found at finance.gov.au/government/managing-commonwealth-resources/regulator-performance-rmg-128.

Background and analysis of result

In administering an anti-dumping system, the Anti-Dumping Commission supports Australian industry and the economy by remedying proven instances of unfair international trade. The Anti-Dumping Commission does this through:

- investigating Australian industries' claims of dumping and subsidisation of imported goods
- seeking and considering evidence from Australian producers and importers, as well as foreign exporters
- making recommendations to the responsible minister on the imposition, continuation, withdrawal or adjustment of dumping and countervailing duties.

The timely delivery of anti-dumping and countervailing investigations contribute to overall economic stability by helping to maintain a balanced trade environment and ensuring domestic industries are not undermined by unfair trade practices from foreign producers. Most case types are subject to a statutory limit for resolution, as set out in Australia's domestic anti-dumping legislation, the *Customs Act 1901* and the *Customs Tariff (Anti-Dumping) Act 1975*. Time limits for case types are also required to meet Australia's international obligations as a member of the World Trade Organization (WTO) in the *WTO Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (GATT)* and the *Agreement on Subsidies and Countervailing Measures*.

The time limits for each case type are:

- dumping and/or subsidy investigation – statutory limit of 155 days (extendable), and a WTO limit of 18 months (547 days)³
- review of measures – statutory limit of 155 days (extendable)⁴
- duty assessment – statutory limit of 155 days (extendable), and a WTO limit of 18 months (547 days)⁵
- accelerated review – statutory limit of 100 days (non-extendable)⁶
- continuation inquiry – statutory limit of 155 days (extendable)⁷
- anti-circumvention inquiry – statutory limit of 155 days (extendable)⁸
- exemption inquiry – no statutory limit.

The Anti-Dumping Commission achieved resolution time for all case types within the timeframes as set up in the *Customs Act 1901*.

3 *Customs Act 1901*, section 269TEA and Article 5.10 (Anti-Dumping Agreement).

4 *Customs Act 1901*, section 269ZDA.

5 *Customs Act 1901*, section 269X and Article 9.3.1 and 9.3.2 (Anti-Dumping Agreement).

6 *Customs Act 1901*, section 269ZG.

7 *Customs Act 1901*, section 269ZHF.

8 *Customs Act 1901*, section 269ZDBG.

As shown in Table 7, the resolution time for Continuation Inquiries increased by 7.5%, marginally above the target. The timeframes for Exemption Inquiries increased by 89 days but there are no legislated timeframes for these case types. Accelerated reviews, while not meeting the baseline of 89 days, still achieved a resolution time within the legislated (non-extendable) timeframe of 100 days.

Table 7: Results across statutory and WTO timeframes

Case type	Number of cases completed 2022–23	Baseline (in days – average length)	Number of cases completed 2023–24	Days (average length)	Improved or maintained (within 5% of the baseline)?
Dumping and/or subsidy investigation	4	484	1	426	Yes
Review of measures	2	347	5	198	Yes
Duty assessment	20	350	16	360	Yes
Accelerated review	4	89	4	96	No
Continuation inquiry	7	280	4	301	No
Anti-circumvention inquiry	1	215	-	-	N/A
Exemption inquiry	8	324	5	413	No

While timely investigations are important, ensuring thoroughness and accuracy is equally critical to the integrity of the trade remedies system. Factors impacting case timeframes include:

- the total caseload
- complexity of cases
- resourcing
- volume of information
- timely cooperation of parties such as importers and exporters.

Completing cases in expected timeframes builds trust with stakeholders, in accordance with RMG 128 best practice principle 1. The Anti-Dumping Commission uses data and a case management system to manage risk in its operation as a regulator.

During 2023–24, the Anti-Dumping Commission made improvements to its case management system to assist recording and tracking of resolution times. It also formed a new team to analyse the performance of the commission and continues to build staff capability.

7. Applications for registration of research and development activities through the Research and Development Tax Incentive are processed within designated timeframes

	2022–23 result	2023–24 result
Target		
95% of applications processed within:		
• 40 business days for first-time registrants	100%	99%
• 20 business days for registrants that applied within 6 months after the end of the income period	99%	99%
• 80 business days for registrations submitted 6–10 months after the end of the income period	100%	100%
Assessment	Met	Met

Background and analysis of result

By processing registrations within the designated timeframes, the benefits from this incentive flow quickly into the economy to enable businesses to reinvest in additional research and development (R&D) activities. The Research and Development Tax Incentive (R&DTI) Program helps stimulate and grow innovative and competitive Australian businesses.

R&D activities must first be registered before an R&D tax offset is claimed through a company's tax return. Timely registrations allow companies to receive the tax offset benefit more quickly.

On 30 June 2024, for registrations of R&D activities occurring in 2022–23:⁹

- more than 13,000 companies were registered with the R&DTI Program
- there was a total estimated R&D expenditure of over \$16.7 billion.

The processing time for first-time registrants fell from 100% in 2022–23 to 99% in 2023–24. Registration processing times can vary each year as the number of applications and complexity changes across the 3 categories.

⁹ Under the R&DTI Program, businesses must register for the program within 10 months of the end of the income year during which the R&D activities were conducted. Therefore, for the 2023–24 financial year, most registration applications processed were for R&D activities conducted in 2022–23.

The department takes a risk-based approach to R&DTI Program integrity. It conducts in-depth assessments of high-risk applications in contrast to a simple volume-based focus on all applications. Risk assessments can result in the department undertaking pre-registration engagement with the company or other compliance activity. The 95% processing time target accommodates extended processing times for these occasions.

The R&DTI program aligns itself with RMG 128 best practice principle 1 by engaging in continuous improvement of its processing times for R&DTI applications.

The calculation of this measure leverages best practice principle 2 through the data holdings and digital technology utilised by the R&DTI Program. The measure transparently communicates to the regulated population how timely the regulator processes applications.

In addition, a risk-based approach is used in the R&DTI Program to focus more effort on high-risk applications; that is, a focus on in-depth assessments of high-risk applications in contrast to a simple volume-based focus on all assessments.

17. National Measurement Institute engagement with traders increases compliance with fair measure regulations

	2022–23 result	2023–24 result
Target		
The follow-up trader audit compliance rate is higher than the initial trader audit compliance rate	New measure in 2023–24	12% improvement
Assessment	New measure in 2023–24	Met

Background and analysis of result

The National Measurement Institute (NMI) interacts with businesses regulated by the *National Measurement Act 1960* and subordinate legislation (the measurement legislation), including:

- facilitating the issue of a licence to a third party
- approving the design of a measuring instrument used for trade
- checking the compliance of practices, products and instruments subject to the measurement legislation.

NMI aims to ensure that interventions result in an increased level of compliance with measurement legislation. For example, a trade measurement inspector undertakes a compliance audit at a retailer and identifies a non-compliance. They then return to that retailer for a follow-up audit and expect the compliance level has increased because of the audit intervention. This new measure seeks to track the impact of interventions on compliance across all organisations bound by the legislation.

The initial trader audit compliance rate for 2023–24 was 67%, and the follow-up trader audit compliance rate was 79%. The 12% improvement demonstrates the effectiveness of NMI audit interventions.

Trade Measurement Inspectors focus on education and advice (particularly for new retailers or businesses) to encourage compliance and avoid the need to escalate to enforcement activities, in alignment with RMG 128 best practice principle 3. Inspectors work with the retailer or business to ensure they understand their obligations under measurement legislation, the nature of any alleged non-compliances and how to achieve compliance. They also assess business quality management systems (qualitative assessments) that support compliance in trader operations.

The follow-up audit process provides another opportunity for the inspector to check compliance and understanding of the information provided during the initial audit. These occur in several ways, such as a second field visit, phone call or email to check on corrections depending on the issue.

Follow-up audits may extend the scope of the initial visit, for multiple reasons:

- A change to trader operations, particularly an expansion into new product lines or use of new measuring instruments.
- New or different staff present during the audit with differing levels of training.
- A better understanding of trader operations refined from the first visit.

In some cases, the broader scope may result in a higher rate of non-compliance, but this does not necessarily show a failure of process. Inspectors may confirm that the original issue has been rectified but also identify a new or additional non-compliance issue.

Limitations

Timeliness of data entry may impact results, as some follow-up trader audits may not yet have been entered into the tracking database.

Data entry error may affect the quality of data, particularly incorrect linkages between the initial and follow-up trader audits or incorrect labelling of trader audits. The Legal Metrology Branch Data Analyst checks data quality monthly.

One initial trader audit may result in multiple follow-up audits; for example, if the first follow-up audit identifies further non-compliances. The tracking database aggregates all non-compliance data into trader audits rather than identifying individual instances of non-compliance and tracking them from detection to resolution. Opportunities to improve tracking and determine effectiveness are being investigated.

Follow-up trader audits that relate to initial trader audits that occurred before the reporting period are removed from the data set.

Key activity 1.2 – investing in science and technology

This activity aims to boost Australia’s science and technology capability to facilitate the development and uptake of new ideas and technology and build a strong base for science to be used in Australian decision-making. It relates to PBS 2023–24 Outcome 1, Program 1.2, except where investment in commercialisation is covered by key activity 1.1.

8. Grow the number of technology-related jobs to 1.2 million by 2030

	2022–23 result	2023–24 result
Target		
Year-on-year increase	944,996 ¹⁰	980,506
Assessment	Met	Met

Background and analysis of result

Australia’s technology and digital capability is vital for supporting Australian businesses’ competitiveness, scale and resilience. The adoption of technology plays a pivotal role in our economy and will continue to drive productivity and improve living standards. Our direct and indirect technology sectors contribute approximately \$167 billion annually to the economy and account for over 8.5% of GDP.¹¹

This measure enables the department to track the growth of Australia’s digitally intensive industries and to ensure that progress towards the government’s target of reaching 1.2 million technology-related jobs by 2030 is on track. The number of technology-related jobs in the economy can provide a measure of the growth of the technology industry and the adoption of enabling technologies right across the economy – which is a significant focus of the work of the portfolio.

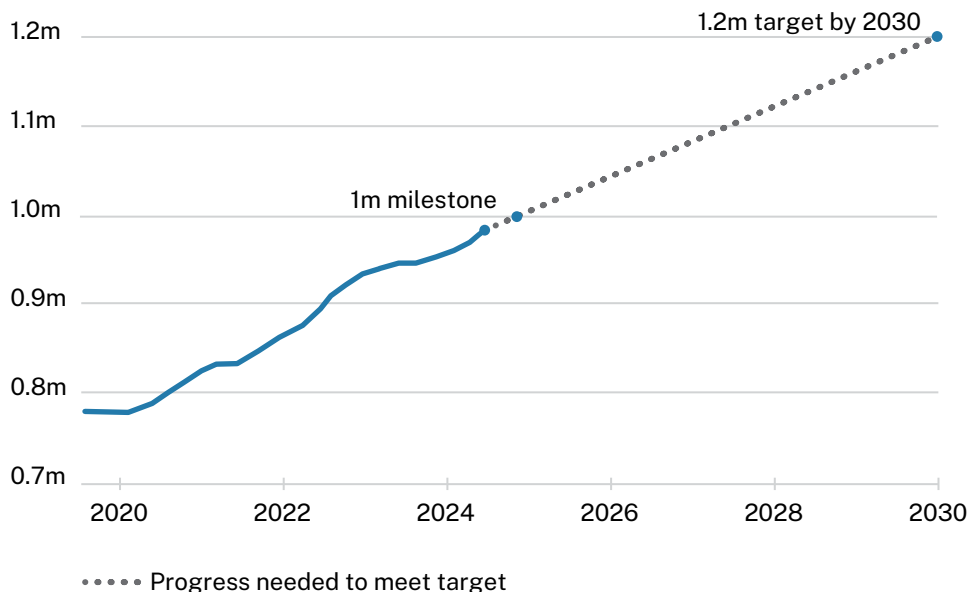
Australian Bureau of Statistics (ABS) data shows the number of technology-related jobs reached 980,506 in May 2024 (6.9% of total employment), representing an increase of 3.8% since May 2023.¹² Figure 2 shows the increase in technology-related jobs since November 2019.

¹⁰ The 2022–23 result has been re-calculated due to ongoing update of official occupation codes being undertaken by the ABS and ongoing work by Jobs and Skills Australia (the authority with responsibility for driving data-driven workforce planning in Australia).

¹¹ Digital technology report is available at international.austrade.gov.au/en/news-and-analysis/publications-and-reports/digital-technology-report.

¹² Labour force data is available at abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia-detailed/feb-2024.

Figure 2: Total employment in technology-related jobs



Initiatives that focused on the ‘supply-side’ for Australia, which help make sure workers have the skills to take on these technology-related jobs, included:

- organising whole-of-government discussions on digital skills (via Commonwealth Digital Skills Working Group), including informing government initiatives that relate to the key Commonwealth levers that support building these skills
- implementing, in collaboration with the Department of Employment and Workplace Relations, a Digital and Tech Skills Compact, which was an outcome from the 2022 Jobs and Skills Summit
- contributing to broader government reform initiatives, including the Review of the Migration System, the Employment White Paper, and the Australian Universities Accord
- administering targeted initiatives that directly support the development of skills in emerging technologies, including:
 - the Next Generation AI Program and Emerging Technology Graduate Program, intended to deliver scholarships to up to 480 students at Honours, Masters and PhD levels; the program funds projects¹³ that recruit students on an ongoing basis until 2027
 - the Next Generation Quantum Graduates Program (announced in the 2022–23 Budget), which supports up to 20 PhDs in quantum technologies

¹³ Projects funded available at csiro.au/en/work-with-us/funding-programs/funding/Next-Generation-Graduates-Programs/Awarded-programs

- supporting a more diverse technology-related workforce through diversity in STEM initiatives to address a known barrier to achieving this goal, including:
 - Women in STEM Ambassador¹⁴
 - Science in Australia Gender Equity (SAGE)
 - Women in STEM and Entrepreneurship Grants
 - Girls in STEM Toolkit (GiST)
 - Future You¹⁵
 - Superstars of STEM
 - Elevate: Boosting Women in STEM program
 - STEM Equity Monitor.

The department supported the ‘demand-side’ of critical technologies through 3 main categories of initiatives, including:

- \$15 billion National Reconstruction Fund (NRF) to provide targeted investments to diversify and transform Australian industry, including \$1 billion for critical technologies
- implementing a quantum strategy (\$60 million to establish Australia’s Centre for Quantum Growth and develop the Critical Technologies Challenge Program)
- developing a robotics strategy (based on the 2023 National Robotics Strategy: Discussion Paper).

The department leads efforts on safe and responsible use of AI across the economy. The Australian Government recognises that implementing appropriate guardrails and regulation will support innovation and increase adoption of AI. These initiatives help to foster a technology-enabled economy and workforce by stimulating demand, adoption and diffusion of critical technologies, and creating an enabling environment for innovation and growth.

Limitations

There were several factors outside the department’s control that contributed to the achievement of this target, including other agency programs. For instance, education or migration programs are usually guided by other agencies.

The ongoing update of official occupation codes being undertaken by the ABS and ongoing work by Jobs and Skills Australia (the authority with responsibility for driving data-driven workforce planning in Australia) may result in improvements in measurement of progress and the target.

¹⁴ The Women in STEM Ambassador program has come to an end. Following the release of the Pathway to Diversity in STEM Review final recommendations report, which recognised the contribution of the Women in STEM Ambassador program, the objectives of this program are intended to be pursued through other measures.

¹⁵ As of May 2024, Future You is no longer delivered by the department and is now delivered by the University of New South Wales and the University of Sydney.

9. Number of businesses establishing research-focused collaborations that are facilitated by portfolio programs

	2022–23 result ¹⁶	2023–24 result
Target		
Maintain the number of businesses collaborating year-on-year compared to the average of the preceding 2 years for equivalent programs	252 partners (167 partners in CRCs and 85 in CRC Projects)	304 partners (114 partners in CRCs and 190 in CRC Projects)
Assessment	Met	Met

Background and analysis of result

Bridging science and industry through business–research collaboration is essential to help Australia solve problems and bring new technologies, products and services to the market. To drive this collaborative culture, the department runs initiatives to support business–research collaborations.

The Cooperative Research Centres (CRC) Program (both CRCs¹⁷ and CRC Projects¹⁸) provides grant funding to support industry-led collaborative partnerships working on industry-identified problems to improve the competitiveness, productivity and sustainability of Australian industries. This measure tracks the number of grants awarded to develop research-focused collaborations.

There were 304 partners in executed grant agreements for CRCs and CRC Projects, exceeding the target of 248, which demonstrates the number of businesses collaborating year-on-year.

Results for the CRC Program are directly attributable to the number of successful grants, the number of partners involved in successful grants and the timing of negotiation of grant agreements. In turn, these are linked to the availability of funding and timely decision-making. In 2023–24, grants related to one CRC grant round and 2 CRC Projects rounds were decided and associated grant agreements executed. This aligns with expectations for the year.

¹⁶ The 2022–23 result has been calculated retrospectively to reflect the 2023–24 methodology.

The methodology previously reflected all active CRCs and CRC projects and now considers agreements executed in the reporting period.

¹⁷ See business.gov.au/grants-and-programs/cooperative-research-centres-crc-grants.

¹⁸ See business.gov.au/grants-and-programs/cooperative-research-centres-projects-crpp-grants.

Limitations

The ability to meet the performance measure target is dependent on the number of grant agreements executed and therefore the number of partners. Potential limitations for the CRC Program in contributing to meeting this target include:

- the number of suitable applications received; the program has experienced strong demand, and this has not been an issue for meeting the performance measure target in recent years
- the number of applications approved and executed; if lower than expected, or execution of applications occurs later than expected, this may have a direct impact on meeting the target
- funding for the CRC Program is forecast to be maintained over the forward estimates; if reduced, this would have a direct impact on the ability to meet the target.

10. Percentage of Questacon’s national STEM events reaching lower socioeconomic, regional and remote communities

	2022–23 result	2023–24 result
Target		
50% of national STEM events reaching lower socioeconomic communities	58%	54%
60% of national STEM events reaching regional and remote communities	80%	71%
Assessment	Met	Met

Background and analysis of result

Questacon is contributing to the Australian community’s engagement with science, technology and innovation. Questacon aims to highlight the value of science and technology in everyone’s lives, the importance of developing STEM skills, and the future STEM careers can offer. Questacon is also committed to overcoming social disadvantage and geographic isolation as barriers to engagement.

This measure tracks the number of national STEM events reaching lower socioeconomic, regional and remote communities.

In 2023–24, Questacon ran 1,531 national STEM events across the country for young Australians, educators and the broader Australian community. Of these events, 1,491 had geolocational data, which showed the percentage that reached lower socioeconomic communities was 54%, exceeding the target of 50%. The percentage of national STEM events that reached regional and remote communities was 71%, exceeding the target of 60%.

Tour planning balanced program obligations, while maximising national reach and ensuring the inclusion of under-served communities. Criteria considered included:

- need – preferencing under-served communities defined by:
 - geographic location
 - socioeconomic status
 - proximity to STEM learning infrastructure
- equity – length of time between visits to different states and regions
- feasibility – such as density of schools and populations, and available infrastructure.

Final tour locations were heavily influenced by school uptake in proposed touring areas.

The proportion of events across states and territories compared to the distribution of all Australian schools highlighted Questacon’s remit as Australia’s National Science and Technology Centre, as shown in Table 8.

Table 8: Distribution of Questacon’s 2023–24 events across states and territories compared to all Australian schools

	ACT	NSW	NT	QLD	SA	TAS	VIC	WA
Questacon national events (N=1,399)	8%	31%	2%	20%	5%	8%	16%	10%
All Australian schools (N=10,731)	1%	32%	2%	18%	7%	3%	26%	12%

Questacon’s commitment to reaching under-served communities across Australia is highlighted in Figures 3 and 4. Figure 3 shows Questacon’s greater reach to lower socio-educational status schools compared to all Australian schools. Figure 4 shows Questacon’s significantly higher engagement with regional schools when compared to the distribution of all Australian schools, which are predominately in major cities.

Figure 3: Questacon’s reach to schools based on socio-educational status

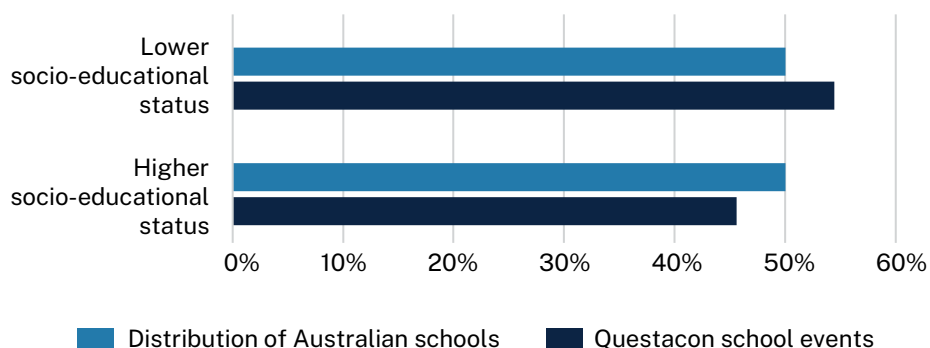
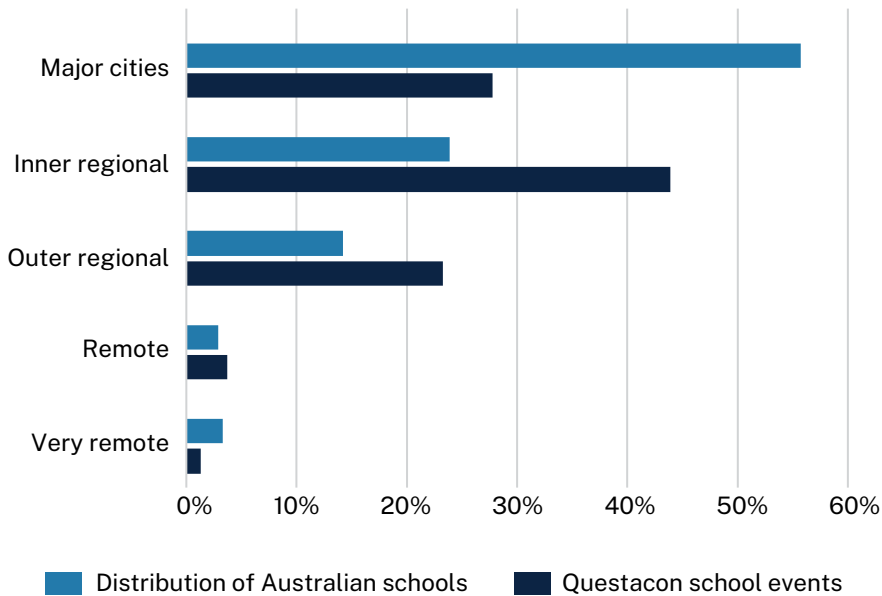


Figure 4: Questacon's engagement with schools based on location



The voluntary uptake of programs, including virtual programs, influenced performance measure results. The slightly lower results this year compared to the previous financial year can largely be explained by the increase in virtual programs, which are less targeted than in-person tours. Uptake of virtual programs is higher in major city and higher socioeconomic schools. There may be various reasons for this such as marketing, school infrastructure or capability. Questacon is conducting research to better understand audiences and identify the best ways to promote programs, including to regional and remote and lower socioeconomic schools.

Limitations

Thirty-four (2%) of national STEM events (N=1,531) did not have geolocational data and were excluded from the performance measure.

From the 1,491 national STEM events:

- 1,484 (99.5%) were used for the regional and remote communities' calculation
- 1,481 (99.3%) were used for the socioeconomic communities' calculation.

11. Raising awareness of the importance of STEM through the delivery of portfolio initiatives

Target	2022–23 result	2023–24 result
Target		
Proportion of Australians who consider STEM skills important when considering employment is more than 87%:		
• young Australians	Not conducted	92%
• parents	81%	Not conducted
• educators	89%	Not conducted
Assessment	Partially met	Met

Background and analysis of result

The department leads national policy and programs to support community-wide STEM engagement, including among girls, women and people from diverse backgrounds. These programs target the STEM pathway, partly to alter perceptions and increase understanding of STEM careers for young Australians.

Increasing STEM awareness, understanding and capability is an important part of developing the skilled workforce that will enable a future made in Australia. Policies and programs that work to raise awareness of the importance of STEM through engagement activities, grants and prizes, include, but are not limited to:

- Inspiring Australia Science Engagement Program
- National Science Week
- Prime Minister’s Prizes for Science
- Women in STEM and Entrepreneurship Grants Program.

This measure considered 3 surveys about the perceptions of the importance of STEM. The primary purpose of these surveys is to inform the annual STEM Equity Monitor. The surveys are conducted and reported by Youth Insight, the research arm of Student Edge, which provides national surveys for government and industry organisations. Young Australians are surveyed every 2 years, with results published in the *Youth in STEM Research Report*. STEM Influencers (parents and educators) are surveyed in the alternate year. Results for the influencer surveys are published in the *STEM Influencer – Parents Research Report* and *STEM Influencer – Teachers and Career Advisors Research Report*.

This measure was chosen as a proxy to understand the extent to which STEM engagement measures raise perceptions of the importance of STEM skills.

There were no changes between surveys in young people's or educators' overall perceptions that STEM skills are important when considering employment:

- For young people, the 2023–24 result of 92% was above target, as was the 2021–22 result of 92%.
- For educators, the 2022–23 result of 89% was above target, as was the 2020–21 result of 89%.

In 2022–23, parents' perceptions that STEM skills are important when considering employment was below the target at 81%. This also decreased from the previous parents' survey in 2020–21, which was 86%. This decrease could be driven by decreases in the perception of parents of the individual STEM skills required to get a good job in the future:

- Science skills 76% (down from 81% in the previous survey).
- Technology skills 87% (down from 89% in the previous survey).
- Engineering skills 72% (down from 75% in the previous survey).
- Mathematics skills 83% (down from 89% in the previous survey).

Limitations

There are several limitations to note:

- The surveys measure changes in attitudes and perceptions but do not gather qualitative data on 'why' respondents provide their ratings.
- There are several influences on this result that are out of the department's control, including:
 - public perception of STEM
 - individuals' experience in the education system
 - the impact of other programs and initiatives from other government departments and the private sector
 - current events in the news and social media that may influence people's understanding and trust in technology and STEM, which can in turn influence perceptions of the importance of STEM.
- Each survey sample is analysed to ensure it represents the intended population. Weighting is applied in some cases for under- or over-representation within the sample and additional methodological information is available in research reports.
- It is not practical in an economic sense to measure the response of an entire population; a representative sample is used as a proxy.

12. Number of third-party accreditations maintained to ensure NMI measurement services meet national and international best practice

	2022–23 result	2023–24 result
Target		
Maintain:		
<ul style="list-style-type: none"> global acceptance of over 300 measurement capabilities under the Mutual Recognition Arrangement of the International Committee of Weights and Measures 	313	344
<ul style="list-style-type: none"> NMI's 25 National Association of Testing Authorities (NATA) accreditations across calibration and testing, reference material production, and proficiency testing functions 	25	28
<ul style="list-style-type: none"> World Anti-Doping Agency (WADA) accreditation for NMI's sports drug testing capability 	Maintained	Maintained
Assessment	Met	Met

Background and analysis of result

The NMI plays an important role in the Australian economy by leading Australia's measurement system. This work is driven by advances in science and technology to continuously adapt to, service and enhance the productivity and growth of Australian industry.

A trusted measurement system reduces technical barriers to trade, helps Australian businesses engage in international and domestic markets, and maintains Australia's standing with our trading partners.

NMI's maintenance of its accreditations is essential for promoting trust in Australia's measurement system and supports recognition of Australia's measurement system in global mutual recognition frameworks established at treaty level. It provides confidence that NMI's role in Australia's quality infrastructure system meets globally accepted best practices.

This measure tracks the number of measurement capabilities and accreditations maintained by the NMI.

NMI's achievement of its targets has resulted from maintaining appropriate levels of funding to support the required professional expertise across the organisation throughout the year, high-quality service delivery and expertise, as well as the quality and safety team assisting the accreditation process and outcomes.

The ability to maintain services is dependent on organisational resourcing that supports capabilities across many expert staff. It is also dependent on participation in global and regional governance forums under international recognition frameworks. Ongoing training, research and collaboration between NMI staff and stakeholders in both domestic and international settings allow NMI to maintain and develop knowledge and demonstrate competencies across a range of cutting-edge scientific functions.

Future achievement of this measure is dependent on adequate resourcing across a range of functions. Risk to non-delivery includes loss of trust in Australia's measurement system. This would have a flow-on effect for Australian businesses in support of their foundational scientific capabilities, new and innovative technologies, and trading with overseas partners. Resourcing risk considers internal and external factors, including price increase for equipment and infrastructure.

Globally accepted measurement capabilities

In June 2024, the Key Comparison Database (KCDB) maintained by the International Bureau of Weights and Measures (BIPM) listed 344 internationally recognised Calibration and Measurement Capabilities (CMCs) for NMI, with 139 in chemistry and biology, and 205 in general physics.

CMCs have increased from the previous financial year, with the addition of 34 new CMCs in chemistry and biology, which exceeds the minimum requirement of 300 CMCs for this performance measure.

NATA accreditations

NMI's NATA accreditations across calibration and testing, reference material production, and proficiency testing functions were all maintained. NMI's number of accreditations expanded from 25 to 28 this financial year due to a re-structure of NMI's NATA accreditations.

WADA accreditation

WADA accreditation for NMI's sports drug testing capability was maintained such that services to Sport Integrity Australia (SIA) have been delivered as per the Memorandum of Understanding.

The previous certificate of accreditation issued by WADA was valid from 1 January 2023 to 31 December 2023, which met the requirement for maintaining accreditation through quarter 1 and quarter 2 of 2023–24.

In January 2024, NMI received a new certificate issued by WADA for the period 1 January 2024 to 31 December 2024 to authorise NMI's Australian Sports Drug Testing Laboratory (ASDTL) to conduct doping control analyses during this period.

Key activity 1.3 – supporting a strong resources sector

This activity aims to support the sustainable development of the resources sector, attract private sector investment and encourage innovative technologies. It relates to PBS 2023–24 Outcome 1, Programs 1.3 and 1.4.

13. Grow Australia’s critical minerals sector, including by supporting development of downstream processing capacity

	2022–23 result	2023–24 result
Target		
Year-on-year increase in the number, progress and total capital expenditure of critical minerals projects:		
• Estimated value	\$26 billion	\$28 billion
• Project pipeline	77	100
• Publicly announced	30	52
• Advanced feasibility	19	21
• Committed	17	19
• Completed	11	8
Assessment	Met	Met

Background and analysis of result

Growing the critical minerals sector in Australia will deliver strong economic benefits, including increased trade and job creation, consistent with the goals of the Critical Minerals Strategy 2023–30.

To measure the effectiveness of policies and programs introduced under the Critical Minerals Strategy, this measure tracks the growth and progress of critical minerals projects through the Resources and Energy Major Projects¹⁹ (REMP) report published each December (with the latest edition published in December 2023), an annual review of projects that extend, increase or improve the quality of mineral commodity output in Australia. It includes greenfield projects, expansions, reactivations, processing facilities and related infrastructure. The focus of this report is on ‘major’ investments – those that can be confidently valued at over \$50 million based on publicly available sources – and includes critical minerals as a focus.

Measures of progress included in the 2023 REMP for critical minerals are not directly comparable with those presented in the 2022 edition of the report. This is due to changes in methodology for the 2023 report²⁰ on calculation of proposed capital expenditure and assessments of project status and to changes to the Australian Government’s critical minerals list.

¹⁹ See industry.gov.au/publications/resources-and-energy-major-projects-2023.

²⁰ Outlined in Box 1.1 of REMP, page 6.

Instead, the 2023 report includes a comparison to the previous year using a consistent methodology and minerals list to provide a measure of progress over time.²¹

The department classifies projects into 4 stages:

1. Publicly announced: Projects publicly announced and under consideration.
2. Advanced feasibility: Projects that have completed an advanced feasibility study (i.e. a definitive, detailed or bankable feasibility study).
3. Committed projects: Those that have taken a Final Investment Decision (FID).
4. Completed projects: Those that have commenced production.

A focus only on publicly announced projects compared to last year is a very narrow expression of 'progress'. Total capital expenditure for later stage critical minerals projects increased, and the total number of projects also increased. The report also showed that 51 of 100 projects (i.e. more than half of the full project pipeline) were either new or progressed. Although the number of completed projects decreased from 11 in 2022–23 to 8 in 2023–24, the methodology for this measure only requires an increase in the majority of categories to be met.

The implementation of the Critical Minerals Strategy 2023–30 contributed to this year's result, which focused on:

- supporting supply chain diversification with international partners and increasing the quantity of Australian critical minerals in the market
- maximising the number of jobs and productive capacity in the Australia economy by onshoring processing and refining
- giving international partners confidence to invest in this sector
- helping Australia to become a renewable energy superpower and contributing to global efforts to reach net zero.

The prices of lithium and nickel reached high levels in 2022 and the first half of 2023. Combined with strong supply growth since 2020, softer than expected demand (cyclical and structural) for both metals have since seen market surpluses develop. Rising inventories have seen the prices of lithium and nickel hit 5-year lows. The relatively weak price outlook has contributed to announced closures and production cuts by several key nickel and lithium producing nations (including Australia) and added to existing supply chain uncertainties associated with Western nations' policy measures to secure future supply.

The department seeks to grow the critical mineral sector in Australia and to help ensure strategic and economic benefits are delivered for Australians, including through increased trade and job creation.

²¹ This comparison is provided on page 14 of the 2023 REMP report and is expanded in these measures results.

Limitations

Smaller-scale operations are an important contributor to the sector and the broader Australian economy, but public information, particularly on early-stage projects, can be scarce or difficult to find. This includes projects undertaken by private companies, which have fewer obligations to report project progress. The data therefore may omit some projects for which the Office of the Chief Economist could not identify key parameters.

While the government is a significant contributor to this measure, there are many factors outside of the department's control, such as market movements, which contribute to the achievement of this target. Investment and progress in project development is subject to market trends.

The development of potential critical minerals projects (and mining projects more generally) through to commercial production involves a complex mix of geological, environmental, social, economic and financial considerations. While government policies and actions can have a positive impact across many of these considerations, the success of projects will often come down to a commercial decision that sits beyond the direct control of the department.

14. Increase opportunities for resources project investment

Target	2022–23 result	2023–24 result
Target		
At least one of the following:		
• the release of acreage for petroleum or greenhouse gas storage exploration	1	1
• the award of titles for petroleum or greenhouse gas storage exploration	5	0
Assessment	Met	Met

Background and analysis of result

Releasing offshore acreage and awarding new permits for petroleum and greenhouse gas storage exploration can support investment in the offshore resources sector and facilitate the abatement of carbon emissions. New investment supports a strong resources sector and is a driver for the creation of high-skilled jobs in regional Australia. The release of offshore acreage for greenhouse gas storage can assist the resources sector and other hard-to-abate industries to decarbonise. It also plays a key role in Australia's transition to net zero and supports our trading partners to decarbonise their own economies.

One offshore greenhouse gas storage acreage release occurred in 2023–24, comprising 10 areas located offshore of Western Australia, Victoria and Tasmania. The department managed and facilitated the acreage release process, which included significant stakeholder consultation across government and the public while ensuring legislative requirements were met and decisions to award permits were supported by robust, evidence-based briefing. The department’s work on the 2021 and 2022 offshore petroleum acreage releases also progressed in 2023–24 following government decision and with consideration of principles in the Future Gas Strategy.

The release of acreage, whether for work-bid petroleum exploration permits or work-bid greenhouse gas storage assessment permits, occurs via inviting applications through a notice published in the Australian Government Gazette, in accordance with subsections 104(1) or 296(1) of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*. The relevant Joint Authority or responsible Commonwealth Minister offers and grants work-bid permits in accordance with sections 105, 106 and 107 for petroleum exploration permits, or 298, 299 and 300 for greenhouse gas storage assessment permits.

The Future Gas Strategy acknowledges new supply of gas will be required to meet demand during the transition to net zero. This includes the need for future acreage releases to focus on optimising existing productive regions and infrastructure. Carbon Capture and Storage (CCS) also forms a key action of the strategy which will support Australia’s transition to net zero. Current government policy is that industry participants drive acreage release via nominations. The government invites industry to nominate offshore areas for either acreage release. Nominated areas are considered for release against government objectives and public consultation outcomes. Industry participants remain the driver for the release of new acreage and interest remains high on future acreage releases.

From 2024–25, the department is changing its approach to this measure to better align with the Future Gas Strategy. The target for the measure will be updated in 2024–25 to reflect the government’s commitment to reframing future acreage releases as part of Action 1: Prevent Gas Shortfalls of the strategy’s action plan.

Limitations

The decision to hold an acreage release, and to offer and grant new titles, is a decision of government. In some instances, this may include a state or territory government. The decision to hold an acreage release for either petroleum exploration or greenhouse gas storage assessment is made by the Australian Government Minister for Resources. The decision to offer and grant petroleum exploration permits is made by the Offshore Petroleum Joint Authority, which comprises the Australian Government Minister for Resources and the respective state or territory minister with responsibility for resources. The decision to offer and grant greenhouse gas assessment permits is for the Australian Government Minister for Resources, in their capacity as the Responsible Commonwealth Minister (RCM).

15. The NOPTA published assessment timeframes for applications made under the *Offshore Petroleum and Greenhouse Storage Act 2006* are met 90% of the time

Target	2022–23 result	2023–24 result
Target		
90%	97%	97%
Assessment	Met	Met

Background and analysis of result

The National Offshore Petroleum Titles Administrator (NOPTA) is responsible for the efficient and effective administration and regulation of Australia's offshore petroleum and greenhouse gas activities. As part of this role, it administers petroleum and greenhouse gas titles in Australian Commonwealth waters in accordance with the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

This measure directly correlates with the number of applications submitted by industry and NOPTA's timely processing of these applications in accordance with published indicative timeframes.

As of 30 June 2024, NOPTA had finalised 242 applications²², with 97% of all applications assessed within the required timeframe, compared to 382 applications in 2022–23. Assessment target timeframes for each application type are published on the NOPTA website. During the reporting period, one Access Authority, 2 Special Prospecting Authorities, one Retention Lease Renewal, and one Location Revocation did not meet the timeframes due to the complexity of the applications and new assessment requirements. One Variation and one Transfer application also did not meet the timeframes due to staff turnover. NOPTA has recently recruited staff to backfill the vacancies.

A 90% target recognises that the assessment timeframes are indicative. Some assessments will not meet the timeframes due to the complexity of assessments (including the need to assess related applications as a package) or the requirement for legal advice. Strictly adhering to the timeframes in these instances could impact on the quality of the assessment or could introduce legal risks.

Timely processing of applications supports a strong offshore resources sector by creating business certainty, reducing project timelines and risk. As an administrator and regulator for the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*, NOPTA adheres to RMG 128 best practice principle 1 by tracking processing performance to drive continuous improvement and support the efficient and effective regulation of Australia's offshore petroleum and greenhouse gas sectors.

²² The Change of Company Name (CoCN) decision-making process impacts multiple titles. In this instance, the total number of titles impacted by the CoCN process was 36 titles which have been counted as individual applications for the purpose of this measure.

Limitations

The timeframe for processing by NOPTA is calculated after all relevant material has been submitted by the applicant. NOPTA uses the National Electronic Approvals Tracking System, via its internal Titles Electronic Register Interface (TERI) system. The processing timeframe is only calculated when the TERI system is classified as ‘under assessment’. The timeframe calculation stops and resets when the system is under (for example) ‘further information requested’. The TERI system logs all changes to the application assessment status.

As the offshore sector matures and new activities under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* arise, the TERI system is being updated to include all application types (including greenhouse gas title applications) for future reporting periods.

16. Supporting radioactive waste disposal policy for Nuclear Powered Submarines through Australian Radioactive Waste Agency advice

Target	2022–23 result	2023–24 result
Target		
Evidence-based advice provided on or before agreed timeframes	New measure in 2023–24	Advice provided on or before agreed timeframes
Assessment	New measure in 2023–24	Met

Background and analysis of result

This measure is linked to key activity 1.3 and the new PBS program 1.4 – Nuclear-powered submarine program – initial implementation, led by the Department of Defence.

The Australian Radioactive Waste Agency (ARWA) maintains the national radioactive waste inventory, develops strategies to manage radioactive waste, and implements agreed plans for managing and disposing of radioactive waste.

ARWA provides expert advice to Defence and the Australian Submarine Agency to support the development of technical solutions and plans to manage and dispose of all forms of radioactive waste arising from the nuclear-powered submarine program. To achieve this, ARWA undertakes contracted research, utilises internal labour and international travel, to build international better practice understanding and capability of technical, social licence and siting processes to apply to Australia’s requirements.

This measure assesses the delivery of evidence-based advice to Defence and the Australian Submarine Agency within agreed timeframes.

During 2023–24, ARWA provided advice to Defence and the Australian Submarine Agency for the Defence Estate Review. ARWA advice was provided to assist Defence to assess locations in the current or future Defence estate that could be suitable to store and dispose of intermediate-level waste and high-level waste. This includes spent nuclear fuel from Australia’s nuclear-powered submarines that will be acquired by the government as part of the United Kingdom and the United States (AUKUS) agreement.

ARWA delivered all requests for advice to Defence by their due date, including one within an agreed revised due date. The due dates for all requests fell within the 2023–24 reporting period.

To support provision of advice, ARWA maintains open communication and a good working relationship with Defence and the Australian Submarine Agency.

18. Decommissioning the Northern Endeavour and Laminaria-Corallina oil fields

Target	2022–23 result	2023–24 result
Target		
Progress towards completing Phase 1 decommissioning works by the expected vessel disconnection and towing window of 1 July 2025 to 30 September 2025, while ensuring safety and protection of the environment	New measure in 2023–24	Decommissioning progressing as planned to enable meeting the expected vessel disconnection window Compliance with safety and environmental requirements
Assessment	New measure in 2023–24	Met

Background and analysis of result

The Northern Endeavour Floating Production Storage and Offtake facility (Northern Endeavour) is permanently moored between the Laminaria and Corallina oil fields, about 550 km north-west of Darwin in the Timor Sea. It is 274 m long, 50 m wide, and weighs approximately 43,700 tonnes.

The decommissioning project is one of the largest of its kind in Australia and the first undertaken by the Australian Government. The government took over decommissioning of the Northern Endeavour and remediation of the Laminaria and Corallina oil fields following the liquidation of the titleholder in 2020. Due to the program's complex operational requirements, it will be undertaken in 3 phases (currently in phase 1).

The department has contracts in place to enable decommissioning and ensure the protection of the surrounding environment. Petrofac Facilities Management Limited is the lead contractor for phase 1. Petrofac is the registered operator and is contracted to deliver activities and report progress to the department on a monthly basis. Xodus Group provides us with independent technical and assurance advice for phase 1, and Ngamuru Advisory provides commercial support and advice.

The regulatory environment for the Northern Endeavour is rigorous. The program is delivered under *Environmental Protection and Biodiversity Conservation Act 1999* (EPBC Act) approval which sets out 34 controlled action conditions that the department and its contractors must adhere to. National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) regulates Petrofac through an approved safety case. NOPSEMA also oversees well integrity matters.

The department fully complied with regulatory requirements for progressing the decommissioning during 2023–24. NOPSEMA has assessed and is reasonably satisfied that the Northern Endeavour project Well Risk Management Plan meets the criteria for acceptance of a Well Operations Management Plan. Safe operation of the facility remains paramount in delivery of the program in accordance with the approved safety case.

Phase 1 includes temporarily suspending the oil wells and disconnecting the facility from the flowlines and moorings that anchor it to the seabed to allow it to be towed from the area. This must be progressed in compliance with relevant regulatory requirements and the approval permits obtained by the department and its contractors, to ensure safety and the protection of the environment.

Phase 1 was initially expected to be complete by quarter 2, 2024 but was extended to quarter 3, 2025 to account for legal and operational delays, and revised regulatory approvals:

- The secured creditor Castleton Commodities Merchant Asia notified the department that it would not be proceeding to take ownership of the Northern Endeavour following its disconnection as originally planned. The department applied to the Supreme Court of NSW to secure full title and vest ownership of the Northern Endeavour in the Commonwealth, meaning the department would take full responsibility for the tow and disposal. This new area of responsibility has resulted in delays and additional costs.
- In September 2023, the subsea flushing campaign was commenced but had to be suspended. There was a minor unplanned escape of fluids and hydrocarbon during flushing due to asset integrity failures which did not cause significant environmental harm and remained within EPBC condition thresholds. The incident, its reporting and investigation were compliant with the conditions of approval. To minimise environmental risks, a revised program of work for the flushing campaign was implemented, which was also then affected by vessel availability to undertake the works.

Some key activities undertaken during the period to progress decommissioning included:

- obtaining EPBC Act approval for the phase 1 action
- maintenance, cleaning and decontamination of the Northern Endeavour and subsea equipment
- maintaining the vessel class certification through Lloyd's Register
- subsea and topside flushing campaigns, cleaning and de-mucking
- securing vessels to undertake the works, including the Sapura Constructor Light Well Intervention Vessel for the future subsea flushing and suspension campaigns in a competitive global vessel market
- completing an Environmental Impact Assessment for removing the subsea infrastructure, to help prepare for future environmental and regulatory approvals, stakeholder engagement and consultations
- drafting and issuing the Request for Proposal then the Request for Tender for a lead contractor to complete phases 2 and 3, involving permanently plugging and abandoning the oil wells and removing the subsea infrastructure
- requests for information through AusTender from domestic and international suppliers about options for towing, decontaminating and recycling²³
- commencing procurement of a heavy lift vessel to tow the Northern Endeavour to a recycling yard.

During the period the department, with lead contractor Petrofac, undertook an exercise to simulate its Incident and Crisis Management capabilities focusing on a worst-case spill scenario defined in the Phase 1 Oil Pollution Emergency Plan. The exercise was designed to enable the Petrofac Incident Management Team and Crisis Management Team to practice their response to defined spill arrangements and strategic issues. During planning, performance criteria were identified to demonstrate successful achievement of individual objectives. An independent evaluator's observations and participant feedback were collated and analysed. Minor improvements were implemented following a successful exercise.

Limitations

There may be further delays in decommissioning the Northern Endeavour. The program is high risk and complex, particularly due to the facility's size, location, contamination and the time elapsed since production ceased in 2019. Delays may be due to:

- equipment or parts of the Northern Endeavour may require additional repairs and remediation due to their declining condition
- access and availability of contractors and equipment
- amendments to the program that require regulators' consideration and approval, impacting availability of vessels and in turn schedule and costs.

²³ See industry.gov.au/news/northern-endeavour-decommissioning-disposal-request-information.