

# Corporate Plan 2024–25



**Australian Government**  

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**Commonwealth Grants Commission**

# Secretary's introduction

The Commonwealth Grants Commission's (CGC) purpose is to provide independent advice to the Australian Government on the distribution of GST revenue among the states and territories (states).

In 2024–25, we will complete the 2025 Methodology Review – a methodology review occurs approximately every 5 years and examines the analytical and statistical methodology the Commission uses to assess the state fiscal capacities underpinning the distribution of the GST. The review seeks to provide stakeholders with confidence that the Commission's overall approach to measuring state fiscal capacities is sound, drawing on the best available, fit for purpose data. The review commenced in February 2023 and has involved extensive consultation with the states. A Draft Report on the review was released in June 2024, with the Final Report to be provided to the Australian Government by February 2025. The Final Report will also include recommendations on the GST distribution for the 2025–26 financial year.

In addition to completing the 2025 Methodology Review, our key priorities over the next year will include:

- continuing to foster our relationship with state treasuries, through the provision of training, ongoing dialogue and consultation, and responding to feedback
- commencing the forward work program, to be outlined in the Final Report of the 2025 Methodology Review
- explaining the CGC's work, including through our series of occasional and research papers
- continuing to improve our data management to ensure open and transparent data aligned with legislation and best practice
- refreshing our focus on investment in staff through the implementation of a new Capability Development Roadmap
- finalising the redevelopment of our assessment system used to calculate GST relativities
- bedding down the transfer of our information and communications technology (ICT) services to the Commonwealth Treasury
- playing our part in advancing reconciliation and renewing our Reconciliation Action Plan.

I present the Commonwealth Grants Commission's 2024–25 Corporate Plan, covering the period 2024–25 to 2027–28, in accordance with subsection 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). As required, this plan provides an overview of our operating environment and capabilities, and how we will measure performance.

I will report on our performance in the Commonwealth Grants Commission's 2023–24 Annual Report.



Jonathan Rollings  
Secretary / Accountable authority  
27 August 2024

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# Our purpose

To provide independent advice to the Australian Government on the distribution of GST revenue among the states and territories

## Our key activities



DELIVER THE 2025 METHODOLOGY REVIEW

DELIVER GST RELATIVITIES FOR 2025-26

## Our foundations for success



### ENGAGE

Pursue opportunities to improve our communication and engagement with the Commonwealth Treasury, state treasuries and other stakeholders



### INFORM

Identify and develop ways to enhance the community's understanding of Australia's GST distribution framework and explain the Commission's work



### CAPABILITY

Focus on attracting and developing workforce capability to support growth and flexibility for the future



### ICT INFRASTRUCTURE & SYSTEMS

Designed, built and supported to meet operational and strategic needs



### DIVERSITY & INCLUSION

Leverage the attributes, skills and experiences of our employees to enhance the workplace



### INNOVATION

Strive to identify areas for innovation and continuous improvement

## Our success measures



Responsiveness to Government



Excellence in research & analysis



Effective engagement & consultation with stakeholders

## Our values



We strive for excellence in everything we do

We engage and consult broadly to inform, learn and understand

We develop our knowledge and capability to build a stronger CGC

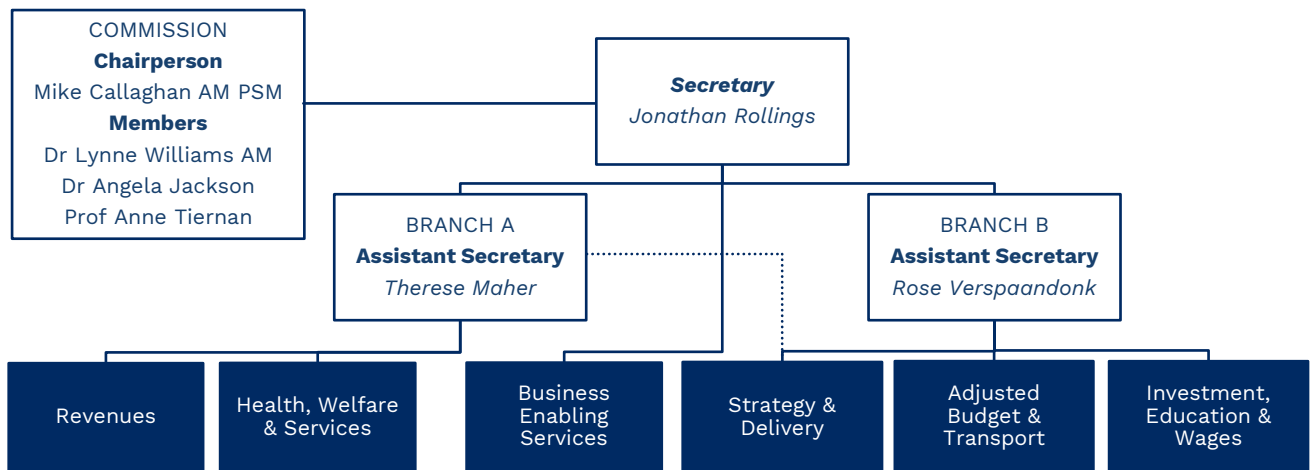
We foster the health, safety and wellbeing of our people

# Who we are

The Commonwealth Grants Commission (CGC) is a statutory authority operating under the *Commonwealth Grants Commission Act 1973*. The Commission, comprising a part-time chairperson and 3 part-time members, is responsible for providing independent advice to the Australian Government on the distribution of GST revenue to the states and territories. The chairperson and members are appointed by the Governor-General.

The CGC Secretary and CGC agency staff support the Commission in its responsibilities. The Secretary of the CGC is the accountable authority for the purposes of the PGPA Act, with responsibility for governing the general operation of the CGC agency.

## Our structure



# Operating context

## Environment

Legislation governing Australia's GST distribution arrangements set the framework for the Commission's work.

In February 2023, the Commonwealth Treasurer issued terms of reference for the Commission to commence the 2025 Methodology Review, a 5-yearly review of the analytical and statistical methodology it uses to assess state fiscal capacities and to provide a report in February 2025. In close consultation with states, the Commission continues to examine its approach to ensure it remains fit for purpose, and that methods, data sources and calculations reflect states' circumstances. For the Commission to fulfil its role, it is essential that all stakeholders, particularly the states, have confidence in the Commission's independence, the appropriateness of its assessment methods, and the effectiveness of its consultation arrangements.

We operate in a competitive market for relevant expertise. We offer staff challenging and interesting work that is central to Australia's federal financial arrangements. Predictable workflows and access to flexible working arrangements support a healthy work-life balance.

## Capability

### *Our people*

The CGC continues to focus on attracting and retaining a highly skilled, diverse and motivated workforce, including staff with expertise in data and statistical analysis. We will invest in the capability of our staff through our new Capability Development Roadmap. We will continue to engage with the APS Data Profession, having gained 4 graduates through this stream since it commenced. The expertise and professionalism of our people enables us to produce high-quality work and maintain strong stakeholder relationships.

Our new Enterprise Agreement details employment conditions for staff until 2027. The agreement provides remuneration increases and supports greater flexibility in staff movement through classification broadbanding.

A high performing, inclusive and respectful culture is critical to achieving the CGC's objectives. Our efforts in fostering this culture are reflected in the 2024 APS Census results, which have again been positive overall. We strive to continuously improve, including through the initiatives in our Census Action Plan.

### *Our systems*

To keep pace with technological advances, and to support ongoing improvement in our work, we have redeveloped our assessment system used to calculate GST relativities.

We have transferred provision of our ICT services to the Commonwealth Treasury, providing us with a broader and more sustainable range of technical services, support, infrastructure, and security.

# Communication and engagement

The CGC has a strong foundation of close, consultative relationships with state treasuries and the Commonwealth Treasury. We are committed to being transparent in our decisions, providing access to assessment calculations and other supporting information, providing training for state officials, and being available for discussions with states as required.

Given the work of the CGC affects all Australians, we seek to communicate effectively across all audiences including the Commonwealth Treasurer, state treasurers, Commonwealth and state treasury officials, policy experts, the media, and the Australian public.

We will continue to progress our efforts to inform public understanding of the CGC's work through our series of Occasional and Research papers. We are committed to making our published material easier to understand and to enhancing our website to better meet the needs of those interested in learning about the Commission and Australia's GST distribution arrangements.

We will also continue to consult closely with states and other data providers on data management to ensure that our practices are open and transparent, and align with the [Data Availability and Transparency Act 2022](#) and the [Intergovernmental Agreement on data sharing between Commonwealth and State and Territory governments](#).



# Risk oversight and management

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Delivering the CGC's priorities requires us to proactively assess and manage risks, including promoting a positive risk culture within our organisation. Our risk management framework and risk appetite statement identify those things that could prevent us from meeting our identified enterprise objectives.

Our risk management policy and framework support our obligations under section 16 of the PGPA Act, to align with the latest Commonwealth Risk Management Policy 2023.

## Risk appetite and tolerance

We will continue to review, monitor, and manage our key risks, related controls, and tolerances. We will update our risk management framework as needed.

We recognise that it is not possible or desirable to eliminate all risk. Through accepting some degree of risk, we can optimise opportunities, promote efficiencies, and support innovation.

While the Secretary is charged with implementing effective risk oversight within the CGC, all staff are responsible for engaging with, and managing, risk. Our Risk Appetite Statement helps us understand what constitutes acceptable risk taking in both our day-to-day work and in achieving our strategic priorities. Our Audit and Risk Committee provides independent assurance to the Secretary on the CGC's risk framework and processes.



# Our approach to performance

The 2024–25 Corporate Plan is the CGC’s primary planning document.

The CGC’s key outcome is ‘informed Government decisions on the distribution of the GST among the states and territories’. We provide the Australian Government with an annual update of recommended GST sharing relativities and periodically undertake methodology reviews to review the methods we use to assess state fiscal capacities. We assess our effectiveness against our key outcome using the performance measures and planned performance results tabled below.

PERFORMANCE MEASURES	PLANNED PERFORMANCE RESULTS
Responsiveness to Government	The Commission’s advice meets the Australian Government’s requirements as specified in the terms of reference provided by the Commonwealth Treasurer.
Excellence in research and analysis	The research and analysis underlying the Commission’s advice are recognised to be high quality and technically robust.
Effective engagement and consultation with stakeholders	The Commission’s advice is informed by the best available information and data and considers the views of relevant stakeholders.

To help measure our performance, we routinely seek feedback from the states on the quality of our analysis and the effectiveness of our processes for engagement and obtaining information. This includes an annual survey, both qualitative and quantitative in nature, following the release of each annual update of the GST sharing relativities. The survey provides important information for assessing our performance and ensuring our analytical work, processes, published material and levels of engagement continue to meet the needs of our stakeholders. We will seek additional feedback from states following the finalisation of the 2025 Methodology Review.

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