



2025–2026

ANNUAL REPORT

Queensland Productivity Commission

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Statement of Compliance

31 August 2026

The Honourable David Janetzki MP
Treasurer
Minister for Energy
Minister for Home Ownership
GPO Box 611
Brisbane QLD 4001

Dear Treasurer

I am pleased to submit for presentation to the Parliament the Annual Report 2025–2026 and financial statements for the Queensland Productivity Commission.

I certify that this Annual Report complies with:

- the prescribed requirements of the Financial Accountability Act 2009 and the Financial and Performance Management Standard 2019, and
- the detailed requirements set out in the Annual report requirements for Queensland Government agencies.

A checklist outlining the annual reporting requirements is provided at page 34 of this annual report.

Yours sincerely



Angela Moody
Productivity Commissioner and Chair
Queensland Productivity Commission

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Foreword

It is my pleasure to present the Queensland Productivity Commission's 2025–26 Annual Report.

Last year I noted the Queensland Productivity Commission's re-establishment had come at a time of renewed interest in productivity and how it could contribute to enhanced living standards. Since then, productivity related discussions have moved beyond typical public policy discussions and into the general discourse.

These discussions are important given the close relationship productivity has with improved living standards. Considering that labour productivity growth over the past 50 years has explained around 80 per cent of growth in real income per capita across Australia.

The Queensland Productivity Commission worked on a broad range of issues impacting Queenslanders and the Queensland economy in 2025–26, including the construction industry, Australian Government's environmental protection reforms, energy policy and Goods and Services Tax (GST) distribution system. Through the Queensland Productivity Commission's Office of Best Practice Regulation, advice and training has also been provided to Queensland Government agencies on best practice regulation and the quantitative tools available to inform decision making.

A key element of the public inquiry process is affording all stakeholders the opportunity to contribute to, and comment on, the Queensland Productivity Commission's work. Over the course of the construction industry public inquiry, the Queensland Productivity Commission held over 80 stakeholder meetings (including roundtables) and received over 250 submissions. Pleasingly there has been a very high level of interest in the Queensland Productivity Commission's current public inquiry on the Australian Government's 2025 environment protection reforms. With over 60 submissions received in response to the initial call for submissions paper and the first stage of engagement involving over 80 stakeholder consultations including nine regional visits.

I thank all stakeholders for their ongoing support and contribution to the Queensland Productivity Commission's work program.

On behalf of the Board, I want to recognise the efforts of the Commission's Executive Director, Directors and employees. Through their efforts the Commission has been able to provide independent, evidence-based policy advice to the Queensland Government. I want to also recognise the efforts of our Corporate Services Team who have assisted with the development of our corporate governance materials and establishment of various support functions.

I wish to thank Commissioner Dr Hooper for her contribution to our current work program and Board functions.



Angela Moody

Productivity Commissioner and Chair

The Queensland Productivity Commission

The Queensland Productivity Commission (the Commission) is an independent statutory body, established in 2025 under the *Queensland Productivity Commission Act 2025 (Qld)* (QPC Act).

The Commission's vision is for our advice to deliver a stronger economy and higher living standards in Queensland. The Commission does this by providing independent, evidence-based policy advice to the Queensland Government to help lift productivity, drive economic growth and enhance living standards.

The Commission contributes towards the Queensland Government's community objectives for *A better lifestyle through a stronger economy*.

Our strategic objectives

Evidence-based

Provide independent, evidence-based analysis and advice

Robust Analysis

Deliver robust economic analysis

Skilled Team

Maintain and develop a skilled and responsive team

Engagement

Promote engagement and innovation

Our key strategic initiatives

- | | | | |
|--|---|--|--|
| <ul style="list-style-type: none"> • Deliver recommendations and findings based on rigorous research and analysis. • Analysis is informed by community and stakeholder consultation. • Maintain strong governance models and compliance frameworks to ensure the independence of, and confidence in, the Commission. • Provide objective advice and agency training to support development and implementation of best practice regulation. | <ul style="list-style-type: none"> • Maintain rigorous internal quality assurance processes. • Develop and maintain economic modelling and analytical capabilities. • Our analysis is transparent. • Inquiry reports and are open to public scrutiny. | <ul style="list-style-type: none"> • Provide training and professional development opportunities to enhance team capability. • Embed a performance culture based on rigorous analysis, collaboration, accountability and continuous improvement. • Establish effective systems and processes to streamline administrative effort. | <ul style="list-style-type: none"> • Use contemporary, flexible engagement approaches and communication mediums to maximise opportunities for stakeholder engagement. • Use technology and post project reviews to support the delivery of timely advice and reports. • Investigate emerging data capabilities and analytical frameworks to improve our analysis. |
|--|---|--|--|

Our responsible Minister is the Honourable David Janetzki MP, Treasurer, Minister for Energy and Minister for Home Ownership.

Our Organisation

The Board

The QPC Act provides for the Board to be made up of the Productivity Commissioner and other Commissioners appointed by the Governor in Council. A maximum of four Commissioners may be appointed.

Angela Moody

Productivity Commissioner and Chair

BEcon, BA, MProfEcon, GradDipAppFin, GAICD

Angela was appointed as the Productivity Commissioner and Chair in April 2025.

Angela's executive experience has been developed working for, or advising, private and public infrastructure businesses subject to economic regulation or experiencing structural change. These roles have had a particular focus on strategy, commercial analysis, policy and regulation.

Prior to joining the Commission, Angela was the Chief Financial Officer at the Gladstone Area Water Board where she led a cross functional team including corporate support services, customer engagement, new connections and economic regulation.

Angela's executive experience is complimented by over fifteen years as a Non-Executive Director with organisations focused on supporting Queenslanders during difficult times, economic development and education.

Dr Karen Hooper

Commissioner

B.Econ (Hons), Ph.D, GAICD

Karen was appointed as a Commissioner in April 2025.

Karen brings to the role extensive public policy, leadership, governance and stakeholder engagement experience gained from executive positions across the Queensland and Australian public sectors and through advisory and non-executive director roles in the university and not-for-profit sectors.

Prior to joining the Commission, Karen was Head of Productivity in Queensland Treasury, providing advice across a range of contemporary policy issues. Karen joined Treasury in 2021, after transitioning from her role as Chair and Principal Commissioner of the former QPC. Karen spent much of her early career at the Reserve Bank of Australia (RBA) where she led both the RBA's Queensland Office, specialising in the tourism, education and resource sectors, and the international finance function, supporting Australia's engagement with multilateral institutions.

Karen holds a Bachelor of Economics (First Class Honours) and a PhD in Economics and is a graduate of the Australian Institute of Company Directors and the Australian and New Zealand School of Government Executive Fellows Program. Karen is active in promoting economic literacy and career pathways in economics and public policy, currently serving on the Institute of Public Administration Australia (Queensland) Council and The University of Queensland's School of Economics Advisory Board, and supporting the Queensland Economics Teachers' Association as an advisor.

Our structure

The Commission's organisational structure and senior staff are shown in Figure 1 Organisation chart, 30 June 2026.

As at 30 June 2026, the Commission had 23 full and part-time employees (22.3 full time equivalent (FTE)) including the Productivity Commissioner and Commissioner.

Figure 1 Organisation chart, 30 June 2026



Overview of key activities

The Commission has an advisory role and is independent from the Queensland Government — our views, findings and recommendations are based on our own analysis and assessment of the evidence.

The Commission's activities focus on its three main legislated functions:

- public inquiries into economic, social and regulatory issues
- research and advice on economic, social and regulatory issues
- to administer, monitor or provide advice on best practice regulation.

Highlights from 1 July 2025 to 30 June 2026

- Completed the inquiry into Opportunities to Improve the Productivity of the Construction Industry
- Provided Advice on Energy Policy and Productivity
- Provided Advice on the Economic Impacts of Australia's GST Distribution System on Queensland
- Commenced the Inquiry into the Impact of the Australian Government's 2025 Environment Protection Reforms on Queensland
- Provided advice across 200 regulatory proposals
- Delivered training on best practice regulation to 487 government officers and had over 1,500 registrations for on-demand online training.

Presented or participated at a broad range of industry, community, government and university fora to discuss the work of the Commission and the importance of productivity to the Queensland economy.

Inquiries

The Commission conducts public inquiries based on terms of reference issued by the Queensland Treasurer.

The Commission's public inquiry model is designed to ensure all stakeholders have the opportunity to participate and all evidence is brought to bear in the final report to government. The Commission uses a range of engagement options depending on the inquiry and can include written submissions, meetings, hearings and roundtables.

Opportunities to Improve the Productivity of the Construction Industry

The Commission received terms of reference for an inquiry into opportunities to improve the productivity of Queensland's construction industry in April 2025. The inquiry examined how policies and regulation affect productivity in the construction industry and considered opportunities for reform, aimed at providing net benefits for the community without compromising safety or quality.

The Commission published an Interim Report on 31 July 2025 for consultation and submitted the Final Report to the Queensland Treasurer on 24 October 2025.

The Final Report identified 64 recommendations to improve productivity across the industry, focusing on five key areas:

- an industry reset
- reforming procurement
- improving land use regulation
- improving the regulation of building activity
- improving labour market operation.

To inform its analysis, the Commission engaged with stakeholders through meetings, regional visits, roundtables, a webinar and presentations. More than 250 submissions were received (Figure 2).

Figure 2 Construction productivity inquiry consultation



The Final Report and Queensland Government response was published on 21 January 2026.

Impact of the Australian Government's 2025 Environment Protection Reforms on Queensland

In April 2026, the Commission was asked by the Queensland Treasurer to undertake an inquiry into the impacts of the Australian Government's 2025 reforms to the *Environment Protection and Biodiversity Conservation Act 1999 (Cth)* on Queensland.

The inquiry is examining how the reforms affect Queensland in practice, by focusing on regulatory burden, economic impacts, implementation risks and operational arrangements. Where relevant, options are to be identified to reduce unnecessary regulatory burden and improve regulatory efficiency.

The Commission released a Call for Submissions paper on 29 May 2026. Stakeholder consultations including 9 regional visits were held during June to August 2026.

A Final Report is due to the Queensland Government by 13 April 2027.

Commissioned Advice

Energy Policy and Productivity

On 5 June 2025, the Queensland Treasurer issued a Direction for the Commission to provide advice on energy policy and productivity.

The Commission submitted the advice to the Queensland Government on 1 September 2025 and it was published on 10 October 2025.

The Commission's advice found affordable and reliable electricity supply is central to Queensland's economy and living standards. It noted high electricity prices disproportionately affect households with fewer economic resources and the competitiveness of electricity intensive industries.

The advice considered the drivers of poor productivity performance in the electricity industry and provided guidance for policy development in relation to efficiency and emissions reduction in Queensland's electricity system.

Economic Impacts of GST Distribution System on Queensland

On 17 November 2025 the Queensland Treasurer issued a Direction for the Commission to provide advice on the economic impacts of Australia's GST distribution system on Queensland.

The Commission submitted the Interim Report to the Treasurer on 4 February 2026 and Final Report on 17 April 2026.

These reports were published on 20 March 2026 and 12 May 2026, respectively.

The Final Report identified a range of potential impacts of the GST distribution system on efficient resource allocation. More broadly, the distribution system may divert attention from, and may dampen incentives for, sound policy and spending settings to improve living standards.

Best practice regulation

The Commission's Office of Best Practice Regulation (OBPR) administers the Queensland Government's regulatory framework. The framework aims to ensure the development, review and administration of regulation is necessary, effective and efficient, thereby achieving policy objectives while minimising costs on business and the community:

- the Queensland Government *Better Regulation Policy* (BRP) outlines the government's requirements for the development and review of regulation
- the Queensland Government's *Regulator Performance Framework* outlines requirements relating to the administration of regulation.

The Minister for Finance, Trade, Employment and Training is the Minister responsible for the Better Regulation Policy and Regulator Performance Framework.

Better Regulation Policy

The regulatory review requirements set out in the BRP aim to improve the quality of regulation through a robust, transparent and evidence-based process. The OBPR provides a range of resources to support agencies in meeting the requirements.

Under the BRP, the OBPR is responsible for:

- providing independent advice to government on the costs, benefits and risks of regulation
- assisting agencies to scope policy problems, estimate impacts, identify and develop alternative options and undertake cost-benefit analysis
- providing training on regulatory impact analysis (RIA), including the preparation of impact analysis statements (IAS)
- reporting regularly to Queensland Treasury on regulatory proposals, including providing advice on significant regulatory proposals
- reporting annually on agency implementation of RIA
- maintaining a central IAS register on its website.

Ministers and agencies are responsible for ensuring the regulatory review requirements are met and for approving IASs, including those for submission to Cabinet (for Cabinet proposals) and for publication.

Regulatory Impact Analysis

RIA is the process of evaluating the effects of different options to solve a policy issue. It helps guide policy decisions by providing evidence to decision-makers, making it easier to identify the options that offer the largest net benefits to the Queensland community.

By creating evidence-based regulatory impact assessments, this process aims to improve the clarity of regulations and support well-informed policymaking.

In 2025–26, the OBPR:

- Reviewed over 200 regulatory proposals and provided independent advice on the costs, benefits and risks of regulation
- Maintained the central IAS register, publishing all IAS submitted by agencies
- Provided online, on-demand training on four topics for Queensland Government officers, with over 1,500 registrations
- Delivered:
 - ‘Impact analysis for policy makers’ workshops to 487 policy officers with 87 per cent of attendees reporting they will be able to use the training learned
 - 4 targeted workshops for agency teams developing significant regulatory proposals
 - 4 ‘Principles of best practice regulation’ workshops to the Department of Premier and Cabinet policy futures graduates
- Delivered against the requirements in the Queensland Government *Regulator Performance Framework* and published 24 performance reports from regulators
- Participated in communities of practice and other relevant fora, including the 2025 Forum of Australian and New Zealand Better Regulation Units.

OBPR training and capability building

The OBPR supports Queensland Government agencies in applying effective and thorough RIA during their policy development process. Training sessions are available to all Queensland Government officers. Additionally, agencies can request targeted, in-person sessions that offer detailed technical guidance.

The OBPR offers:

- in-person training
 - ‘Impact analysis for policy makers’ workshops designed for government officers
 - ‘Principles of best practice regulation’ workshop tailored for graduates.
- online, on-demand training sessions covering the following topics:
 - Introduction to the Queensland Government Better Regulation Policy
 - How to complete the IAS template
 - Cost calculator
 - Reviews of regulation.

Better Regulation Policy Annual Reporting

Under the *Better Regulation Policy* (BRP), the OBPR reports annually on agency implementation of regulatory impact analysis.

In 2025–26:

- 41 Bills were introduced and 184 of regulations were made
- agencies completed and published 241 Impact Analysis Statements
- 75 sunseting regulations were granted exemptions from expiry (78 per cent of sunseting regulations).

The BRP provides for Cabinet to grant an exemption from RIA in exceptional circumstances including the need to urgently implement government policy or situations where public consultation on a proposal would not be appropriate because it may compromise the public interest. In 2025–26, the Queensland Government exempted 10 regulatory proposals.

Regulator Performance Framework

The *Regulator Performance Framework* (RPF) focuses on ensuring regulatory practices are both effective and efficient. It aims to improve how regulations are administered, delivering better outcomes for the community while reducing unnecessary compliance costs.

Queensland Government regulators whose activities impact businesses – particularly small businesses – must publicly report on their regulatory performance each year. A list of regulators which are required to report under the RPF is available on the QPC website.

The OBPR serves as the main contact point for regulators needing clarification on the RPF's requirements, as well as for external stakeholders with enquiries or concerns about regulator performance reports.

The 2024–25 regulator performance reports can be accessed on the Commission's website.

Government bodies 2025–26

Name of Government body <i>Queensland Productivity Commission</i>					
Act or instrument	<i>Queensland Productivity Commission Act 2025</i>				
Functions	<i>The Commission has three main legislated functions:</i> <i>public inquiries into economic, social and regulatory issues</i> <i>research and advice on economic, social and regulatory issues</i> <i>to administer, monitor or provide advice on best practice regulation.</i>				
Achievements	<i>Refer to pages i-11 of this annual report</i>				
Financial reporting	<i>Financial reporting for the Commission is set out in the audited Financial Statements</i>				
Remuneration (1)					
Position	Name	Meetings/sessions attendance	Approved annual, sessional or daily fee	Approved sub-committee fees if applicable	Actual fees received
<i>Productivity Commissioner</i>	Angela Moody	12	N/A	N/A	N/A
<i>Commissioner</i>	Karen Hooper	12	N/A	N/A	N/A
No. scheduled meetings/sessions	12				
Total out of pocket expenses	<i>\$0 out of pocket expenses.</i>				

1. Commissioners receive annual total remuneration approved by the Governor in Council as set out in the financial statements. No separate Board fees are provided.

Corporate matters

Governance

Under the QPC Act, the Board is responsible for ensuring the Commission performs its functions in a proper, effective and efficient way. The Board provides strategic direction and leadership across all the Commission's key functions and activities.

The QPC Act provides for the Board to be made up of the Productivity Commissioner and other Commissioners, as appointed by the Governor in Council. A maximum of four Commissioners may be appointed.

The Executive Director is responsible for the day-to-day management of the Commission. The Executive Director manages the Commission according to the delegation, policies and procedures approved by the Board. The Executive Director also performs the Company Secretariat functions.

Between 1 July 2025 to 30 June 2026, twelve Board meetings were held.

Governance framework

The Commission's corporate governance framework represents the principles and objectives by which decisions are made to ensure accountability, fairness and transparency. The framework is underpinned by a matrix of policies, legislation and standards. The Commission's governance framework includes its external audit performed by the Queensland Audit Office in accordance with the *Financial Accountability Act 2009*.

Risk management and accountability

The Commission has a risk management framework that includes a risk management policy and risk management guide. The Commission is committed to effective risk management and proactively identifies and monitors risks (at a Board and management level) that may affect its ability to meet its strategic objectives.

As the Commission is a small organisation, it does not have a formal audit committee, risk management committee or internal audit function to manage its strategic and operational risks. The audit and risk functions are conducted by the full Board, at regular intervals during the financial year.

Information security and data management

The Commission is committed to quality information and records management through:

- a secure physical and ICT environment
- risk-based policies and practices that support sound decision making, accountability and compliance.

Human Rights Act

The Commission did not receive any human rights complaints in 2025–26.

The Commission has incorporated an assessment for compatibility with the *Human Rights Act 2019 (Qld)* as part of the ongoing review of Commission policies and practices.

Financial performance

In 2025–26, the Commission's income was \$6.711 million from Queensland Government funding and total expenditure was \$6.504 million. The surplus for 2025–26 was \$0.207 million.

Employee expenses were the largest component of the Commission's costs (66 per cent), followed by office accommodation, consultancies, and corporate services.

Expenditure, including performance against budget, is reported to the Board.

Our employees

Workforce profile and staffing

As at 30 June 2026, the Commission had 23 full and part-time employees (22.3 FTE). This comprised one Productivity Commissioner (1 FTE), one Commissioner (1 FTE), an Executive Director (1 FTE), Economists (17.3 FTE) and Corporate staff (2 FTE).

Strategic workforce planning and performance

The Commission manages strategic workforce planning and performance through its Resourcing Strategy, which is based on attracting and retaining capable and committed employees to maintain high quality work. Terms and conditions of employment are in line with the Queensland Public Sector.

Investing in our staff's ongoing development is a priority. The Commission provides training and development that includes on-the-job training, mentoring, external conferences, technical workshops, and opportunities for further study.

Ethics

The *Public Sector Ethics Act 1994 (Qld)* and a Code of Conduct apply to all Commissioners and staff of the Commission.

The Commission is dedicated to fostering an ethical work environment and continually strives to enhance practices to meet contemporary expectations. During 2025–26, all Commission staff completed conflict of interest, and fraud and corruption awareness training.

Flexible work arrangements

The Commission provided flexible work practices to help employees balance work with other commitments. These included flexible work hours, ongoing part-time work and work from home arrangements, subject to organisational requirements.

Early retirement, redundancy and retrenchment

No redundancy, early retirement or retrenchment packages were paid during the period.

Queensland Productivity Commission

Financial Statements

Year ended 30 June 2026

Queensland Productivity Commission

Financial Statements

For the Year Ended 30 June 2026

Foreword

The Queensland Productivity Commission's Financial Statements are general purpose financial statements prepared in accordance with prescribed requirements including *Australian Accounting Standards – Simplified Disclosures* and the *Financial Reporting Requirements* issued by Queensland Treasury.

The Financial Statements comprise the following components:

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Queensland Productivity Commission

Statement of Income and Accumulated Surpluses

As at 30 June 2026

	Note	2026	For the period 22 April to 30 June 2025
		\$	\$
Income from continuing operations			
Grants and other contributions	2	6,710,500	1,035,422
Total income from continuing operations		<u>6,710,500</u>	<u>1,035,422</u>
Expenses from continuing operations			
Employee expenses	3	(4,278,174)	(732,219)
Supplies and services	4	(2,225,654)	(303,203)
Total expenses from continuing operations		<u>(6,503,827)</u>	<u>(1,035,422)</u>
Operating result from continuing operations		<u>206,673</u>	<u>-</u>
Operating result (surplus) for the year		<u>206,673</u>	<u>-</u>
Plus: Accumulated surpluses at the beginning of the financial year		-	-
Accumulated surpluses at the end of the financial year		<u>206,673</u>	<u>-</u>

The accompanying notes form part of these statements

Queensland Productivity Commission

Statement of Financial Position As at 30 June 2026

	Note	2026 \$	2025 \$
Current assets			
Receivables	5	1,386,194	1,057,806
Total current assets		<u>1,386,194</u>	<u>1,057,806</u>
Non-current assets			
Plant and equipment		7,875	-
Total current assets		<u>7,875</u>	<u>-</u>
Total assets		<u>1,394,070</u>	<u>1,057,806</u>
Current liabilities			
Payables	6	1,068,546	978,940
Accrued employee benefits	7	118,851	78,866
Total current liabilities		<u>1,187,397</u>	<u>1,057,806</u>
Total liabilities		<u>1,187,397</u>	<u>1,057,806</u>
Net assets		<u>206,673</u>	<u>-</u>
Equity			
Accumulated surplus		206,673	-
Total equity		<u>206,673</u>	<u>-</u>

The accompanying notes form part of these statements

Queensland Productivity Commission

Statement of Cash Flows

As at 30 June 2026

	Note	2026	For the period 22 April to 30 June 2025
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Inflows:</i>			
Grants and other contributions		-	-
<i>Outflows:</i>			
Supplies and services		-	-
Net cash provided by operating activities		-	-
Net increase in cash and cash equivalents		-	-
Cash and cash equivalents - beginning of financial year		-	-
Cash and cash equivalents - end of financial year		-	-

The accompanying notes form part of these statements

Queensland Productivity Commission

Notes to the Financial Statements

For the year ended 30 June 2026

Note 1: Basis of financial statement preparation

General information about the reporting entity

These financial statements cover the Queensland Productivity Commission (the Commission). The Commission is a not-for-profit statutory body established under the *Queensland Productivity Commission Act 2025* on 22 April 2025. The Commission does not control other entities; the financial statements are for the Commission as an individual entity.

The objective of the Commission is to provide independent policy advice to the Queensland Government to help improve productivity, economic growth and living standards across Queensland.

The Commission's head office and principal place of business is 69 Ann Street, Brisbane QLD 4000.

Authorisation of financial statements for issue

The financial statements are authorised for issue by the Productivity Commissioner, Ms Angela Moody and Executive Director, Ms Kristy Bogaards.

Compliance with prescribed requirements

The financial statements have been prepared in compliance with the *Financial Accountability Act 2009* and the Financial and Performance Management Standard 2019.

These general-purpose financial statements are prepared in accordance with the disclosure requirements of Australian Accounting Standards – Simplified Disclosures. The financial statements comply with the recognition and measurement requirements of all Australian Accounting Standards and Interpretations applicable to not-for-profit entities, and the presentation requirements in those standards as modified by AASB 1060.

Underlying measurement basis

The financial statements are prepared on an accrual basis, with the exception of the statement of cash flows which is prepared on a cash basis.

The historical cost convention is used as the measurement basis.

Presentation matters

Currency and rounding - Amounts included in the financial statements are in Australian dollars. Amounts are rounded to the nearest dollar.

Current / non-current classification - Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the Commission does not have the right at the end of the reporting period to defer settlement to beyond 12 months after the reporting date. All other assets and liabilities are classified as non-current.

Comparative information reflects the period from 22 April 2025 to 30 June 2025.

Queensland Productivity Commission

Notes to the Financial Statements

For the year ended 30 June 2026

Note 1: Basis of financial statement preparation (continued)

Taxation

The Commission is exempted from income tax under the Income *Tax Assessment Act 1936* and is exempted from other forms of Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

Receivables and payables in the balance sheet are shown inclusive of GST. GST credits receivable from, and GST payable to when applicable, the ATO at reporting date are separately recognised in receivables within Note 5.

Key accounting estimates and judgments

No significant estimates and assumptions made in the preparation of the financial statements.

First time mandatory application of Australian accounting standards and interpretations

No new accounting pronouncements applicable for the first time in 2025-26 had a significant impact on the Commission.

Early adoption of Australian accounting standards and interpretations

No accounting pronouncements were early adopted in 2025-26 financial period.

Voluntary changes in accounting policy

No voluntary changes in accounting policies occurred during the 2025-26 financial period.

Queensland Productivity Commission

Notes to the Financial Statements

For the year ended 30 June 2026

	2026	For the period 22 April to 30 June 2025
	\$	\$
Note 2: Grants and other contributions		
Recurring grant from Queensland Government	6,710,500	1,035,422
	<u>6,710,500</u>	<u>1,035,422</u>

Accounting policy

The Commission is entitled to an annual grant from the Queensland Government which is provided to support the strategic objectives of the Commission. Revenue is recognised in accordance with AASB 1058 Income of Not-for-Profit Entities, as there are no sufficiently specific performance obligations.

	2026	For the period 22 April to 30 June 2025
	\$	\$
Note 3: Employee expenses		
<u>Employee benefits</u>		
Wages and salaries	3,203,116	563,540
Annual leave expense and leave loading	334,411	52,137
Employer superannuation contributions	443,304	70,926
Long service leave expense	80,229	14,768
<u>Employee related expenses</u>		
Workers' compensation premium	15,870	2,688
Employee related taxes	133,119	23,231
Other employee related expenses	68,125	4,929
	<u>4,278,174</u>	<u>732,219</u>

Queensland Productivity Commission

Notes to the Financial Statements

For the year ended 30 June 2026

Note 3: Employee expenses (Continued)

Accounting policies and disclosures

The number of employees as at balance date of 30 June 2026, including both full-time and part-time employees measured on a full-time equivalent basis reflecting Minimum Obligatory Human Resource Information (MOHRI) is 22.3 FTE (2025: 18.2 FTE).

The Commission is a member of Queensland Government's Annual Leave Central Scheme and Long Service Leave Central Scheme. Under these Schemes, levies are made on behalf of the Commission to cover the cost of employees' annual leave and long service leave. Levies are expensed in the period in which they are payable. Amounts paid to employees for annual leave and long service leave are claimed from the scheme quarterly in arrears.

Employer superannuation contributions

Superannuation benefits are provided through either defined contribution (accumulation) plans or the Queensland Government's defined benefit plan (the former QSuper defined benefit categories now administered by the Government Division of the Australian Retirement Trust), in accordance with employees' conditions of employment and employee instructions as to superannuation plans (where applicable).

Defined contribution plans – Employer contributions are based on rates specified under conditions of employment. The Commission's contributions are expensed when they become payable at each fortnightly pay period.

Defined benefit plan – The liability for the Queensland Government's defined benefit obligations is held on a whole-of-government basis. Employer contributions to the defined benefit plan is based on rates determined on the advice of the State Actuary. The Commission's contributions are expensed when they become payable at each fortnightly pay period. The Commission's obligations to the defined benefit plan is limited to those contributions paid.

Queensland Productivity Commission

Notes to the Financial Statements

For the year ended 30 June 2026

	2026	For the period 22 April to 30 June 2025
	\$	\$
Note 4: Supplies and services		
Rent expenses	1,626,726	100,773
Consulting and contractor expenses	252,324	40,894
Administration expenses	243,244	43,257
Audit fee	32,000	29,500
Minor plant and equipment - items less than \$5,000	28,357	67,367
Legal expenses	14,772	5,365
Travel expenses	13,646	4,815
Licences and subscriptions	9,511	11,232
Insurance	4,511	-
Depreciation	563	-
	<u>2,225,654</u>	<u>303,203</u>

No lease payments were incurred during the 2025-26 financial year (2025: Nil).

	2026	2025
	\$	\$
Note 5: Receivables		
GST receivable	80,773	7,849
Annual leave and long service leave reimbursement	72,401	14,535
Accrued revenue	590,000	1,035,422
Other receivable	557,070	-
Other amounts for reimbursement	85,951	-
	<u>1,386,194</u>	<u>1,057,806</u>

The Commission's receivables are measured at amortised cost. Accrued revenue represent grants receivable as at 30 June 2026 from Queensland Treasury of \$590,000.

Other receivables represents the net amount of revenue and expenditure that Queensland Treasury has settled on the Commission's behalf to the year ended 30 June 2026.

The Commission's receivables are from Queensland Government agencies or Australian Government agencies. No loss allowance is recorded for these receivables as these balances are considered to have a very low likelihood of default.

Queensland Productivity Commission

Notes to the Financial Statements For the year ended 30 June 2026

	2026 \$	2025 \$
Note 6: Payables		
Trade creditors	1,068,546	134,983
Other payables	-	843,052
Fringe benefit tax payable	-	905
	<u>1,068,546</u>	<u>978,940</u>

Prior year other payables represent the total amount of expenditures that Queensland Treasury has settled on the Commission's behalf during the period to 30 June 2025.

Accounting policy

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30-day terms.

	2026 \$	2025 \$
Note 7: Accrued employee benefits		
Current		
Long service leave levy accrual	19,939	14,769
Annual leave levy accrual	69,332	52,136
Accrued wages and salaries	<u>29,580</u>	<u>11,961</u>
	<u>118,851</u>	<u>78,866</u>

Accounting policy

No provision for annual leave or long service leave is recognised in the Commission's financial statements as the liability is held on a whole of government basis and reported in those financial statements pursuant to AASB 1049 Whole of Government and General Government Sector Financial Reporting.

Queensland Productivity Commission

Notes to the Financial Statements For the year ended 30 June 2026

Note 8: Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique.

Financial assets and liabilities

The carrying amounts of trade receivables and payables approximate their fair value. The Commission holds no financial assets or liabilities classified at fair value through profit and loss.

Note 9: Related party transactions

The Commission's primary ongoing source of funding from Government is provided via Queensland Treasury.

Queensland Treasury provided the Commission with information systems, accommodation and support services under a Service Level Agreement at a cost of \$617,836 (2025: \$142,047) (excluding GST). Accommodation was provided by Queensland Treasury for nine months of the year. The amount has been recognised as Supplies and Services in Note 4.

From February 2026, the Department of Housing and Public Works provided the Commission with accommodation services of \$1,026,789 (2025: Nil) (excluding GST). The amount has been recognised as Supplies and Services in Note 4.

Queensland Productivity Commission

Notes to the Financial Statements

For the year ended 30 June 2026

Note 10: Key management personnel (KMP) disclosure

The following details for key management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the Commission during the reporting period.

Position	Position responsibility
Productivity Commissioner	Responsible for managing and directing the activities of the Commission in accordance with the QPC Act. The Productivity Commissioner is also Chair of the Board and the relevant ministerial liaison.
Commissioners	Members of the QPC Board, which is responsible for ensuring the Commission undertakes its functions in a proper, effective and efficient way.
Executive Director	Responsible for the management of the Commission in accordance with directions from the Productivity Commissioner and decisions of the QPC Board.

a) Key Management personnel compensation

Remuneration expenses for key executive management personnel comprise the following components:

- **Short-term employee benefits** which include:

Monetary benefits - consisting of salaries, allowances and leave entitlements earned and expensed for the entire year or for that part of the year during which the employee occupied the specified position;

Non-monetary benefits - consisting of car parking benefits together with fringe benefit tax applicable to the benefit.

- **Long-term employee benefits** include amounts expensed in respect of long service leave entitlements earned.

- **Post-employment benefits** include amounts expensed in respect of employer superannuation obligations.

- **Termination benefits** include payments in lieu of notice on termination and other lump sum separation entitlements (excluding annual and long service leave entitlements) payable on termination of employment or acceptance of an offer of termination of employment.

Queensland Productivity Commission

Notes to the Financial Statements

For the year ended 30 June 2026

Note 10: Key management personnel (KMP) disclosure (Continued)

The following disclosures focus on the expenses incurred by the Commission during the reporting period that is attributable to key management positions. The disclosed amounts reflect expenses recognised in the Statement of Comprehensive Income.

Position (30 June 2026)	Short-term employee		Long-term employee expenses	Post- employment expenses	Termination benefits	Total expenses
	Monetary benefits	Non- monetary benefits				
	\$	\$	\$	\$	\$	\$
Productivity Commissioner	416,998	3,106	9,861	48,367	-	478,332
Commissioner	311,805	3,106	7,524	36,902	-	359,337
Executive Director	270,643	3,106	6,513	31,943	-	312,205
Total key management personnel compensation	999,446	9,318	23,898	117,212	-	1,149,874

Position (22 April 2025 to 30 June 2025)	Short-term employee		Long-term employee expenses	Post- employment expenses	Termination benefits	Total expenses
	Monetary benefits	Non- monetary benefits				
	\$	\$	\$	\$	\$	\$
Productivity Commissioner	84,311	2,990	1,989	9,752	-	99,042
Commissioner	57,584	2,990	1,374	6,739	-	68,687
Executive Director	50,027	2,990	1,197	5,867	-	60,081
Total key management personnel compensation	191,922	8,970	4,560	22,358	-	227,810

The terms of any Commissioner appointments are established by the Governor in Council, in accordance with section 17 of the QPC Act.

b) Transactions with people/entities related to KMP

No transactions with people/entities related to KMP occurred during the reporting period.

c) Performance payments

No KMP remuneration packages provide for performance payments.

Queensland Productivity Commission

Notes to the Financial Statements For the year ended 30 June 2026

Note 11: Remuneration of auditors

Audit fees was accrued but not paid to Queensland Audit Office (QAO) as at 30 June 2026.

The audit fee by QAO relating to the 2025-26 financial statements is \$32,000 (2025: \$29,500) (excluding GST).

No non-audit services were provided by the QAO during the reporting period.

Note 12: Commitments

At balance date the Commission had no operating lease commitments. The Commission's accommodation is provided through an arrangement with the Department of Housing and Public Works (DHPW). This arrangement is outside the scope of AASB 16 Leases as DHPW has substantive substitution rights over the non-specialised, commercial office accommodation used.

Note 13: Contingencies

No contingent liabilities existed for the Commission at balance date.

Note 14: Climate related risk disclosure

The State of Queensland, as the ultimate parent of the Commission, has published a wide range of information and resources on climate related risks, strategies and actions accessible via <https://www.energyandclimate.qld.gov.au/climate>.

The Queensland Sustainability Report (QSR) outlines how the Queensland Government measures, monitors and manages sustainability risks and opportunities, including governance structures supporting policy oversight and implementation. To demonstrate progress, the QSR also provides time series data on key sustainability policy responses. The QSR is available via Queensland Treasury's website at <https://www.treasury.qld.gov.au/programs-andpolicies/queensland-sustainability-report>.

No transactions have been recognised during the financial year specifically due to climate-related risks impacting the Commission.

Note 15: Events occurring after balance date

From the end of the financial period to the date of this report, no material events or transactions have occurred that, in the opinion of the management, would have a significant impact on the Commission's operations, financial performance, or financial position in future reporting periods.

Queensland Productivity Commission

MANAGEMENT CERTIFICATE OF QUEENSLAND PRODUCTIVITY COMMISSION

These general-purpose financial statements have been prepared pursuant to s.62 (1)(a) of the *Financial Accountability Act 2009* (the Act), s.39 of the Financial and Performance Management Standard 2019 and other prescribed requirements. In accordance with s.39 of the Financial and Performance Management Standard 2019, we certify that in our opinion:

- a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Queensland Productivity Commission for the financial period ended 30 June 2026 and of the financial position of the Commission as at the end of that period; and

We acknowledge responsibility under s.7 and s.11 of the Financial and Performance Management Standard 2019 for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



Angela Moody
Productivity Commissioner and Chair

Date: 24.08.2026



Kristy Bogaards
Executive Director

Date: 24.08.2026

INDEPENDENT AUDITOR'S REPORT

To the Productivity Commissioner and Chair of the Queensland Productivity Commission

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of the Queensland Productivity Commission.

The financial report comprises the statement of financial position as at 30 June 2026, the statement of income and accumulated surpluses and statement of cash flows for the year then ended 30 June 2026, notes to the financial statements including material accounting policy information, and the management certificate.

In accordance with s. 40 of the *Auditor-General Act 2009*, for the year 30 June 2026:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.
- c) In my opinion, the financial report:
 - i. gives a true and fair view of the entity's financial position as at 30 June 2026, and its financial performance and cash flows for the year then ended
 - ii. complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including independence standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

Other information

Those charged with governance are responsible for the other information.

The other information comprises the information included in the entity's annual report for the year ended 30 June 2026 but does not include the financial report and our auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard

Responsibilities of the Productivity Commissioner and Chair for the financial report

The Productivity Commissioner and Chair is responsible for:

- the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards, and such internal control as they determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error
- the establishment and keeping of accounts in accordance with prescribed requirements
- assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the entity or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

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

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

A further description of my responsibilities under the *Auditor-General Act 2009* and *Auditor-General Auditing Standards* is located at the Queensland Audit Office website at:

www.qao.qld.gov.au/audit-program/audit-standards

These descriptions form part of my auditor's report.



Brydie Morris
as delegate of the Auditor-General

26 August 2026
Queensland Audit Office
Brisbane

Glossary

ARRs	Annual report requirements for Queensland Government agencies
BRP	Better Regulation Policy
Commission	Queensland Productivity Commission
FAA	Financial Accountability Act 2009 (Qld)
FPMS	Financial and Performance Management Standard 2009 (Qld)
RPF	Regulator Performance Framework
FTE	Full Time Equivalent
IAS	Impact Analysis Statements
ICT	Information and Communications Technology
OBPR	Office of Best Practice Regulation
Post-IAS	Post-Implementation IAS
RIA	Regulatory Impact Analysis
QPC	Queensland Productivity Commission
QPC Act	Queensland Productivity Commission Act 2025 (Qld)

Compliance checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 7	p. i
Accessibility	- Table of contents - Glossary	ARRs – section 9.1	p. ii p. 33
	Public availability	ARRs – section 9.2	p. 36
	Interpreter service statement	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	p. 36
	Copyright notice	<i>Copyright Act 1968</i> ARRs – section 9.4	inside cover
	Information Licensing	<i>QGEA – Information Licensing</i> ARRs – section 9.5	inside cover
General information	Introductory Information	ARRs – section 10	p. 2
Non-financial performance	Government's objectives for the community and whole-of-government plans/specific initiatives	ARRs – section 11.1	p. 2
	Agency objectives and performance indicators	ARRs – section 11.2	p. 2
	Agency service areas and service standards	ARRs – section 11.3	p. 2
Financial performance	Summary of financial performance	ARRs – section 12.1	p. 14
Governance – management and structure	Organisational structure	ARRs – section 13.1	p. 4
	Executive management	ARRs – section 13.2	p. 4, 13
	Government bodies (statutory bodies and other entities)	ARRs – section 13.3	p. 12
	Public Sector Ethics	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	p. 14

	Human Rights	<i>Human Rights Act 2019</i> ARRs – section 13.5	p. 13
	Queensland public service values	ARRs – section 13.6	p. 1, 2
Governance – risk management and accountability	Risk management	ARRs – section 14.1	p. 13
	Audit committee	ARRs – section 14.2	p. 13
	Internal audit	ARRs – section 14.3	p. 13
	External scrutiny	ARRs – section 14.4	p. 13
	Information systems and recordkeeping	ARRs – section 14.5	p. 13
	Information Security attestation	ARRs – section 14.6	p.13
Governance – human resources	Strategic workforce planning and performance	ARRs – section 15.1	p. 14
	Early retirement, redundancy and retrenchment	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	p. 14
Open Data	Statement advising publication of information	ARRs – section 16	p. 36
	Consultancies	ARRs – section 31.1	https://data.qld.gov.au
	Overseas travel	ARRs – section 31.2	N/A
	Queensland Language Services Policy	ARRs – section 31.3	https://data.qld.gov.au
	Charter of Victims' Rights	<i>VCSVRB Act 2024</i> ARRs – section 31.4	https://data.qld.gov.au
Financial statements	Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	p. 15
	Independent Auditor's Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	p. 31

FAA	<i>Financial Accountability Act 2009</i>
FPMS	<i>Financial and Performance Management Standard 2019</i>
ARRs	<i>Annual report requirements for Queensland Government agencies</i>
QGEA	<i>Queensland Government Enterprise Architecture</i>
VCSVRB	<i>Victims' Commissioner and Sexual Violence Review Board Act 2024</i>

Annual report access

Additional copies

A copy of this report can be obtained by contacting us as follows:

Email enquiry@qpc.qld.gov.au

Mail Queensland Productivity Commission

PO Box 12078 George Street

BRISBANE QLD 4003

Tel (07) 3096 6960

This report is available on our website: qpc.qld.gov.au

Open data

Further information on the following is available through the Queensland Government's Open Data website:

data.qld.gov.au

- Consultancies 2025–26

Government bodies

The Queensland Register of appointees to government bodies provides access to information about government bodies including descriptions, contact details and lists of appointees.

Translating and interpreting assistance

The Commission is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding the annual report, you can contact us on (07) 3096 6960 and we will arrange an interpreter to effectively communicate the report to you.

Feedback

Readers are encouraged to provide feedback on the contents or structure of this report by contacting us at enquiry@qpc.qld.gov.au.



