

# ANNUAL REPORT 2023–2024

Department of  
Employment,  
Small Business and  
Training



The Department of Employment, Small Business and Training works to support Queensland's current and future workforce by connecting Queenslanders to learning opportunities through quality training, employment opportunities and by helping small businesses to start, grow and thrive.

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Any references to legislation are not an interpretation of the law. They are to be used as a guide only. The information in this publication is general and does not account for individual circumstances or situations. Where appropriate, independent legal advice should be sought.

Copies of this publication are available on our website at [desbt.qld.gov.au](http://desbt.qld.gov.au) and further copies are available upon request.

A number of annual reporting requirements are also addressed through publication of information on the Queensland Open Data website at [data.qld.gov.au](http://data.qld.gov.au)

## Acknowledgement of Country

We pay our respects to the Aboriginal peoples and Torres Strait Islander peoples of this land, their ancestors, and their legacy. The foundations laid by these ancestors – the First Australians – give strength, inspiration, and courage to current and future generations towards creating a better Queensland. We recognise it is our collective efforts and responsibility as individuals, communities, and governments to ensure equality, recognition, and advancement of Aboriginal and Torres Strait Islander Queenslanders across all aspects of society and everyday life. We are committed to working with, representing, advocating for and promoting the needs of Aboriginal and Torres Strait Islander Queenslanders with unwavering determination, passion and persistence. As we reflect on the past and give hope for the future, we walk together on our shared journey of reconciliation where all Queenslanders are equal and the diversity of Aboriginal and Torres Strait Islander cultures and communities across Queensland are fully recognised, respected, and valued by all Queenslanders.

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# Letter of compliance

13 September 2024

The Honourable Lance McCallum MP  
Minister for Employment and Small Business and  
Minister for Training and Skills Development  
1 William Street  
BRISBANE QLD 4000

Dear Minister

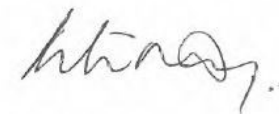
I am pleased to submit, for presentation to the Parliament, the Annual Report 2023–24 and financial statements for the Department of Employment, Small Business and Training.

I certify that this annual report complies with:

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

A checklist outlining the annual reporting requirements is included in *Appendix 5* of this report.

Yours sincerely



Peter McKay  
Director-General

# Message from the Director-General

Providing greater cost-of-living support, launching visionary plans to transform training and strengthen small businesses, and responding to natural disasters – the 2023–24 financial year represented a dynamic period of change and progress for the Department of Employment, Small Business and Training (DESBT or the department).

With strategic investment in training infrastructure and popular programs like Free TAFE, Queensland continues to drive commencements in vocational education and training (VET) – particularly in priority industries like construction, renewable energy and health.

In 2023–24, more than 244,000 Government-funded students undertook VET in Queensland.

One of our flagship initiatives, Skilling Queenslanders for Work, passed a significant milestone, having assisted more than 90,000 Queenslanders since 2015.

And we negotiated a landmark, five-year National Skills Agreement (NSA), which commits up to \$2.54 billion of Australian Government funding for Queensland skills and training.

The new *Good Jobs, Great Training: Queensland Skills Strategy 2024–2028* is our roadmap to deliver on the NSA and create a pipeline of high-skilled Queenslanders, for current and future workforce needs.

Informed by extensive consultation with more than 8,000 Queenslanders, the *Good Jobs, Great Training: Queensland Skills Strategy 2024–2028* aims to deliver one million subsidised training places for Queenslanders – with an initial funding uplift of \$370 million.

The Strategy is an action under the overarching *Good people. Good jobs: Queensland Workforce Strategy 2022–2032* (the QWS).

The QWS oversaw the implementation of a number of actions in 2023–24, including funding more workforce attraction and retention projects under the Workforce Connect Fund and the Queensland Care Consortium and partnering with the Local Government Association of Queensland (LGAQ) on the Rural and Remote Capacity Building project.

A more skilled, capable and adaptable workforce is also central to the success of our small businesses – which represent 97% of all businesses in Queensland and contribute \$131 billion each year to our economy.

The summer of 2023–24 once again delivered wild weather for Queensland, and sadly, small businesses were not immune from its force – with more than a quarter of all Queensland small businesses residing in impacted Local Government Areas (LGAs).

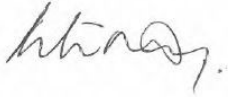
More than \$5.56 million in joint State-Federal grants have been approved for affected small businesses to-date – allowing them to repair, replace and recover.

To shine a light on business excellence, we delivered another engaging and informative Queensland Small Business Month in May – hosting more than 180 events, activities and workshops, from the Torres Strait to the Gold Coast.

And to cap-off the month, we released the new *Queensland Small Business Strategy 2024–2027* – a \$250 million investment, driving 20 key actions to power small businesses and help them take advantage of record investment in our State.

I'm grateful to all DESBT employees for your relationship-building, expertise and unwavering commitment, as we work together and alongside departments, agencies and key stakeholders to deliver on our shared vision for the future.

With renewed optimism – and inspired by the success of those we serve – I know the department will continue to reach new milestones, deliver great outcomes and support a high-skilled workforce and a vibrant economy for Queensland.

A handwritten signature in black ink, appearing to read 'Peter McKay', is positioned above the printed name.

**Peter McKay**

**Director-General**

**Department of Employment, Small Business and Training**

# Our department

## Our strategic objectives

<b>Employment</b>	Preparing Queensland's workforce for the demands of current and future industries
<b>Small Business</b>	Helping small businesses to start, grow and thrive
<b>Training and Skills</b>	Connecting people to quality training and skills
<b>Culture</b>	Supporting a high performing and contemporary organisation delivering valued services

## Our vision

Skilled Queenslanders and vibrant small businesses growing Queensland's economy.

## Our purpose

We support Queensland's current and future workforce by connecting Queenslanders to learning opportunities through quality training, employment opportunities and by helping small businesses to start, grow and thrive.

## Our values

The way we operate is driven by our commitment to the Queensland Government values of: Customers First; Ideas in Action; Unleash potential; Be courageous; and Empower people.

We value and respect Aboriginal and Torres Strait Islander cultures in all that we do. We respect, protect and promote human rights in our decision-making and actions.

## Our contribution to government objectives for community

The department supports and actively implements the Queensland Government's objectives for the community as follows:

### Good jobs: Good, secure jobs in our traditional and emerging industries

- **Supporting jobs** – by delivering innovative and practical solutions to develop a strong and diverse workforce ready to support growth, strengthen our communities and keep Queensland at the forefront of economic opportunities.
- **Backing small business** – by helping small businesses to start, grow and thrive through targeted and successfully delivered grants and support programs responsive to the evolving needs of small businesses and to help keep Queenslanders in jobs.
- **Making it for Queensland** – by working together with other agencies to increase access to new markets for all small businesses and working with industry to adopt innovative manufacturing techniques to enhance global competitiveness.
- **Investing in skills** – by connecting people to quality training and skills pathways to create better employment opportunities and outcomes and support emerging priority industries.

### Better services: Deliver even better services right across Queensland

- **Backing our frontline services** – by connecting people to training and investing in infrastructure that will be used for teaching new skills to frontline staff and supporting Queenslanders to access training, skilling and employment opportunities.
- **Keeping Queenslanders safe** – by maintaining and modernising TAFE facilities to train future Queensland workers.
- **Connecting Queensland** – by supporting jobseekers to build their digital skills to connect with employment or further study and increasing the digital capability of small businesses to help them grow and protect their business.
- **Educating for the future** – by partnering with schools and industry to enable young people to acquire qualifications, knowledge, skills, and attributes to deliver outcomes for students, local communities, and businesses.

### Great lifestyle: Protect and enhance our Queensland lifestyle as we grow

- **Protecting the environment** – by preparing the workforce to participate in renewable energy industries including investment in renewable energy training facilities.
- **Growing our regions** – by working with regional businesses, industries and communities on projections and programs that strengthen local workforces and support economic resilience and growth.
- **Building Queensland** – by building new and upgrading existing TAFE facilities through Equipping TAFE for our Future to support training Queenslanders in new and emerging industries.
- **Honouring and embracing our rich and ancient cultural history** – by delivering a First Nations Training Strategy and Closing the Gap initiatives through the NSA to support Aboriginal and Torres Strait Islander communities to develop skills relevant to local needs and secure jobs.



## Our key achievements

During 2023–24, we worked collaboratively with government and stakeholders in delivering the following key achievements and government commitments.

- Continued to coordinate implementation of the *Good people. Good jobs: Queensland Workforce Strategy 2022-2032* and delivered a range of actions and programs that will see more than 50,000 job seekers and workers and 17,000 employers benefit through strategy's first Action Plan.
- Negotiated the landmark five-year NSA, unlocking billions of dollars in Australian Government funding to build the skills and prosperity of Queensland.
- Released the *Good Jobs, Great Training: Queensland Skills Strategy 2024–2028* to keep Queensland's economy powering and good jobs in reach of Queenslanders.
- Invested \$617 million in government subsidies to support over 252,000 students across priority industries including Manufacturing, Energy, Community Services and Health and Construction.
- Extended and expanded Free TAFE, namely Free Nursing, Free Apprenticeships for under 25s and Free Constructions Apprenticeships for Over 25s, initiatives that offer cost-of-living support to receive the skills needed for good jobs.
- Contracted 14 Registered Training Organisations (RTOs) to deliver the Rural and Remote Pilot program in selected LGAs in Central and North Queensland, to increase high-quality, face-to-face training options for Queenslanders living in these communities.
- Delivered the VET Emerging Industries initiative, with 66 projects approved across the four industry strategies (Energy, Agribusiness, Manufacturing, and Screen and Media) with over 1,500 participants supported as at 30 June 2024.
- Committed a record \$108 million under the Skilling Queenslanders for Work initiative to provide nationally recognised training, skills development and job opportunities to around 14,000 vulnerable Queenslanders.
- Launched the new \$250 million *Queensland Small Business Strategy 2024–2027* which sets out a renewed strategic direction to grow a thriving, resilient small business sector supporting local jobs, and contributing to a strong economy across Queensland.
- Delivered more than \$3.6 million in grant funding to 141 small businesses and 460 Mentoring for Growth sessions by volunteer business mentors.
- Released a new online First Nations Cultural Capability Resource, to help strengthen the skills of Queensland small and medium-sized business employers in creating culturally safe workplaces for all employees.
- Assisted 4,600 clients facing financial hardship and mental health challenges through the Small Business Support Network's team of small business financial counsellors and small business wellness coaches.
- Upgraded and built new TAFE facilities throughout the state, including the:
  - Cairns TAFE Cyber Security Training Operation Centre as well as Advanced Manufacturing Skills Lab
  - Bohle TAFE Hydrogen and Renewable Energy Training Facility as well as Advanced Manufacturing Skills Lab
  - Bundamba TAFE Metal Trades, Manufacturing and Robotics Centre
  - Bundaberg TAFE Advanced Manufacturing Skills Centre as well as Agriculture and Horticulture Centre.

## Our operating environment

### Machinery of government changes

As a result of the machinery of government (MoG) changes on 18 December 2023, the Youth Justice (YJ) portfolio within the former Department of Youth Justice, Employment, Small Business and Training was removed and the Department of Youth Justice was established as a separate department.

### Environmental factors

In a rapidly changing environment, the major environmental factors that impacted DESBT, and shaped its service delivery during 2023–24 included:

- population growth and demographic changes
- demand for infrastructure development
- shifting economic and labour market and business and skill requirements
- digital acceleration.

### Strategic risks

DESBT proactively monitors and manages strategic risks, including:

- disaster resilience and preparedness for climate change
- information and cyber security
- fraud and corruption risk heightened in an environment of significant grant programs
- human capital and resourcing challenges
- disruptive and extreme events.

### Strategic opportunities

DESBT pursues opportunities to further our strategic objectives by:

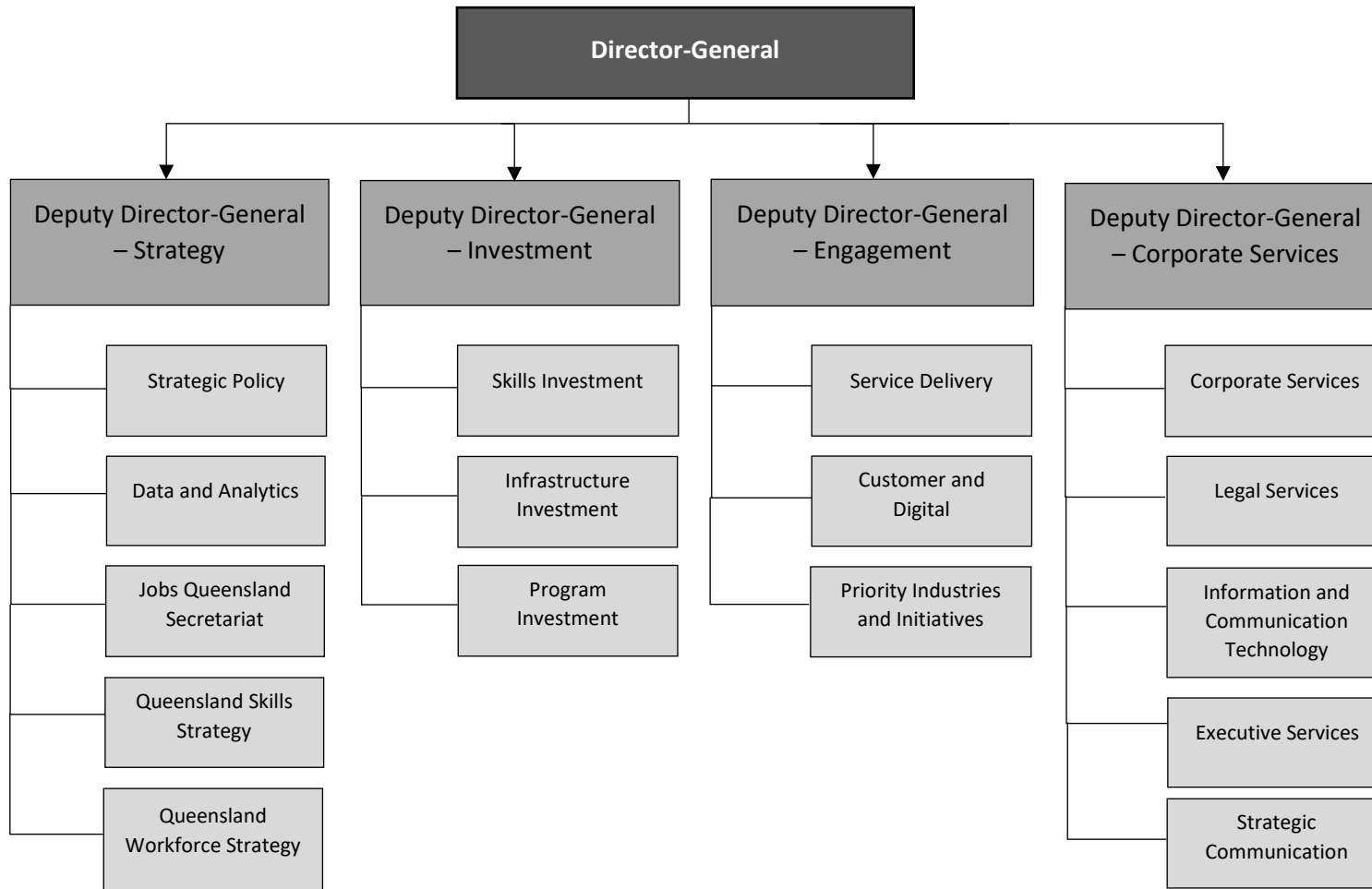
- targeting services encouraging innovation and continuous improvement
- strengthening partnerships by collaborating across communities, industry and government
- leveraging technologies to advance our approach into new and better ways of working
- maintaining integrity and a positive workforce culture by prioritising capability development and wellbeing
- embracing culture by honouring and supporting First Nations peoples, history and businesses.

## Our legislation

Information about the legislation and responsibilities administered by the department, is available at:

- <http://desbt.qld.gov.au/about-us/our-department/legislation>
- the Queensland Government Administrative Arrangements Order web page: <https://www.qld.gov.au/about/how-government-works/government-responsibilities>.

# Our organisational structure



# Financial performance summary

This financial summary of the department's performance and position provides an overview of the key financial information for the year ending 30 June 2024 and a statement by the Chief Finance Officer. A complete view is provided in the financial statements section of this report.

## Financial performance

The department's 2023–24 total income was \$1.702 billion and total expenses of \$1.683 billion, resulting in a net surplus for the year of \$19.4 million, compared to a surplus of \$43.4 million in 2022–23. The year end positions have been driven by land revaluations with an increment in both years, also noting both years were impacted by the MoG changes with YJ transitioning into the department as at 1 June 2023 and then out effective from 1 January 2024. Effectively there is one month of YJ financial transactions in 2022–23 and 6 months in 2023–24.

**Table 1: Summary of financial results of the department's operations**

Category	2023–24 \$'000	2022–23 \$'000	2021–22 \$'000
Total income	1,702,316	1,410,473	1,550,051
Total expenses	1,682,963	1,367,121	1,518,818
<b>Operating result for the year</b>	<b>19,353</b>	<b>43,352</b>	<b>31,233</b>

### Income

The primary source of the department's revenue in 2023–24 was \$1.638 billion of appropriation from the Queensland Government, which accounted for 96% of the total income. Further sources of revenue comprised \$25.9 million for a land increment, \$26.4 million from other revenue which included grant recoveries and contributions from TAFE Queensland for the Southbank Education Training Precinct Public Private Partnership (SETP).

The department also received \$6.7 million in grants and contributions as well as \$5.4 million of user charges and fees, mainly related to the hire of facilities and property income from TAFE Queensland facilities, controlled by the department.

**Table 2: Income by category for the year ended 30 June 2024 and previous years**

Category	2023–24 Percentages	2023–24 \$'000	2022–23 \$'000	2021–22 \$'000
Appropriation revenue	96.2%	1,637,976	1,325,370	1,459,156
Other revenue	1.6%	26,355	25,877	50,146
Land increment	1.5%	25,910	45,256	34,948
User charges, grants, and contributions	0.7%	12,075	13,970	5,801
<b>Total revenue</b>	<b>100%</b>	<b>1,702,316</b>	<b>1,410,473</b>	<b>1,550,051</b>

## Expenses

Expenses totalled \$1.683 billion in 2023–24, which included \$1.153 billion (69%) of grants and subsidies mainly related to training and skills programs (\$1.105 billion).

The department expended \$176.5 million on supplies and services, with the largest spending on building maintenance and associated costs. To support the department's workforce, \$203.7 million was expended on employee expenses, which includes 6 months of YJ employee expenditure. There were 618 full-time equivalents (FTEs) at 30 June 2024 compared to 2,392 FTEs at 30 June 2023, which is mainly due to the MoG changes with YJ transferring back out of the department. Depreciation of \$120.5 million was incurred which predominantly related to TAFE Queensland buildings controlled by the department, and a further \$20.8 million was for finance/borrowing costs associated with the SETP finance liability, which will continue until 2039.

**Table 3: Expenses by category for the year ended 30 June 2024 and previous years**

Category	2023–24 Percentages	2023–24 \$'000	2022–23 \$'000	2021–22 \$'000
Grants and subsidies	68.5%	1,153,070	1,058,519	1,259,759
Supplies and services	10.5%	176,489	116,209	96,940
Employee expenses	12.1%	203,685	96,939	70,488
Depreciation and amortisation	7.2%	120,483	69,155	57,782
Finance/borrowing costs	1.2%	20,782	21,282	21,726
Other expenses (including impairment losses and revaluation decrement)	0.5%	8,454	5,017	12,123
<b>Total expenses</b>	<b>100%</b>	<b>1,682,963</b>	<b>1,367,121</b>	<b>1,518,818</b>

## Financial position

The net assets position or total equity reported in the financial statements shows the net worth of the department. As at 30 June 2024, this was \$2.597 billion.

**Table 4: Summary of financial position – Assets, Liabilities and Equity**

Category	2023–24 \$'000	2022–23 \$'000	2021–22 \$'000
Total assets	3,119,335	3,308,926	1,970,888
Total liabilities	(522,174)	(464,827)	(457,689)
<b>Net assets</b>	<b>2,597,161</b>	<b>2,844,099</b>	<b>1,513,199</b>
Contributed equity	1,110,478	1,758,582	1,204,016
Accumulated surplus/(deficit)	(12,346)	(31,699)	(75,054)
Asset revaluation surplus	1,499,029	1,117,216	384,237
<b>Total equity</b>	<b>2,597,161</b>	<b>2,844,099</b>	<b>1,513,199</b>

## Assets

As at 30 June 2024, the department held assets totalling \$3.119 billion. Assets consist primarily of \$337 million in cash, and \$2.749 billion in property, plant and equipment. Property, plant and equipment represents 88.1% of total assets and consists of \$541.6 million in land, \$2.163 billion in buildings, \$43.5 million of work in progress on buildings, which are predominately TAFE Queensland training facilities that are controlled by the department and another \$0.7 million of departmental Plant and Equipment.

In 2023–24 the annual revaluation of buildings had a net increase of \$358.6 million and the revaluation of land resulted in an increase of \$49.1 million, with a \$25.9 million increment recognised in the Statement of Comprehensive Income and the balance of \$23.2 million establishing a land asset revaluation reserve.

## Liabilities

The department's liabilities as at 30 June 2024, totalled \$522.2 million consisting primarily of \$231.5 million in payables, \$192.6 million in borrowings, and \$80.7 million in provisions for training services.

Payables relate to trade and capital creditors, amounts owed to grant and subsidy recipients and amounts payable to the Queensland Government to the Consolidated Fund.

Borrowings predominately relate to the financial liability for the SETP, which will continue to 2039. A provision in training services is for obligations under contractual arrangements to registered training providers, for training delivery and assessment of students who commenced studies and did not complete their study prior to 30 June 2024.

## Equity

The department's equity as at 30 June 2024, totalled \$2.597 billion consisting of \$1.110 billion contributed equity, a \$1.499 billion asset revaluation surplus and \$12.3 million accumulated deficits.

Contributed equity is predominantly made up of balances transferred into the department on establishment from the MoG changes in 2017–18 and ongoing appropriated equity adjustments to/from the consolidated fund.

The asset revaluation surplus is for both the land and building classes and fluctuates with annual revaluations. The accumulated deficit position is predominantly driven by the annual land revaluations with the department only establishing an asset revaluation reserve for this class in 2023–24.

## Statement by the Chief Finance Officer

In accordance with the requirements of the *Financial Accountability Act 2009*, the Chief Finance Officer has provided the Director-General with financial statements confirming the financial internal controls of the department are operating efficiently, effectively, and economically in conformance with section 38 of the *Financial and Performance Management Standard 2019*. The statement was presented at the Audit and Risk Committee meeting in August 2024. The Chief Finance Officer has fulfilled the minimum responsibilities required by the *Financial Accountability Act 2009*.

# **Our Service Delivery Performance Highlights 2023–24**

## Employment

Preparing Queensland's workforce for the demands of current and future industries.

### ***Good people. Good jobs: Queensland Workforce Strategy 2022–2032***

The department leads the government's implementation of *Good people. Good jobs: Queensland Workforce Strategy 2022–2032* (QWS) and partners with a range of other agencies to deliver the strategy's first Action Plan (2022–2025).

This nation-leading, whole-of-government strategy is harnessing Queensland's workforce strengths, addressing challenges, and supporting secure jobs. Since its launch in August 2022, the QWS is providing real workforce outcomes for industries, communities, and individuals through innovation, partnerships, and a coordinated approach across the state.

Key achievements to date include:

- More than \$70 million invested in new and expanded workforce initiatives, building on a \$1.2 billion commitment in 2023-24 for skills and training.
- More than 50,000 job seekers and workers and 17,000 employers set to receive support.
- More than 140 community and industry partners collaborating with the Queensland Government to drive workforce innovation and growth.

DESBT implemented the following initiatives under the strategy's focus areas.

#### **Workforce participation**

- Appointed Industry Workforce Advisors to provide workforce planning support to 1,004 small to medium employers across 11 industries.
- Expanded the Diverse Queensland Workforce program to support 2,500 migrants, refugees and international students into work with 81% of exiting participants gaining employment.

#### **Workforce attraction and retention**

- Continued to implement the Clean Energy Workforce Roadmap which will see the implementation of 37 actions to support Queenslanders and local businesses to take up opportunities in the clean energy sector.
- Established the \$25 million Workforce Connect Fund, with \$12.5 million allocated to 16 large scale industry and community-led workforce attraction and retention projects.
- Invested more than \$1 million in seven projects under the Queensland Care Consortium funding round to strengthen the health and community services workforce, led by Jobs Queensland.

#### **Local solutions**

- Hosted webinars with a focus on the needs of local government jobs to support Queensland regions build their workforce planning capability and anticipate future skills needs.
- Delivered the Cairns Region Environmental Scan and Cairns Region Workforce Development Plan for the Aviation and Maritime / Marine industry under Jobs



Queensland's 'Grow Your Own' Regional Workforce initiative (GYO), co-designed with region and industry.

- Delivered the Wide Bay Food and Beverage Manufacturing Environmental Scan in partnership with Bundaberg Fruit & Vegetable Growers and the Wide Bay Forestry industry Environmental Scan in partnership with ForestWorks and Timber Queensland.
- Invested more than \$600,000 in five key projects under round two of the GYO program, led by Jobs Queensland.
- Continued to support a localised approach to skilling and workforce solutions through funding of 12 Regional Jobs Committees.

### **School to work transitions**

- Expanded Hydrogen Gateway to Industry Schools project, with 38 schools and more than 1,600 students participated in activities.
- Expanded the Gateway to Industry Schools Program (GISP) to provide innovative projects that provide accessibility for individuals and groups that have difficulty transitioning to employment, through the School to Work Transition Program (S2WT). Under S2WT, 1,433 students have been assisted with a further seven projects approved for 2024–25.

### **Industry Skills Advisor (ISAs) program**

- Continued regular refinement of Queensland's Priority Skills List, ensuring funded qualifications are supported through evidence-based industry advice.
- Provided oversight of 27 Industry Reference Groups with membership from unions, peak agencies, small businesses, and Jobs and Skills Councils to inform Jobs and Skills Councils and where relevant, Skills Ministers on training package products and workforce strategies.

### **Skilling Queenslanders now and into the future**

- Undertook two rounds of the Micro-credentialing Program to provide increased access to industry-supported short courses.
- Implemented the Group Training Organisation (GTO) Pre-Apprenticeship program to support up to 244 Queenslanders to undertake pre-apprenticeship training.
- Worked with MSQ to develop its 2024–25 Annual Training Plan outlining investment to deliver a future-proofed manufacturing workforce.

## **Back to Work Program**

Key highlights in respect of the Back to Work Program in 2023–24 included:

- Employer incentive payments to 576 employers that assisted 677 previously unemployed Queenslanders who identified as belonging to one or more of the program's target groups. Over 90% of those employers being small businesses.
- Six new free, online short courses opened for enrolment to support employers to build diverse and inclusive workforces with topics including flexible work arrangements, cultural diversity in the workforce and supporting mental health in the workforce. Over 10,000 people have enrolled across the available 18 courses.

## Back to Work Program: Employer Incentive Payments snapshot from 1 July 2016 to 30 June 2024

<b>29,112</b>	<b>13,411</b>	<b>8,281</b>
employees assisted an increase of 677 (2.38%) (2022–23 - 28,435)	employers supported an increase of 263 (2%) (2022–23 - 13,148)	apprentices & trainees supported an increase of 266 (3.3%) (2022–23 - 8,015)

In 2023–24, the department also delivered other key employment initiatives, including:

- **Social Enterprise Jobs Fund (SEJF)** initiative, which provided grant funding of \$468,400 to five Queensland universities under the Social Enterprise Research Grants program to support business development and growth of Queensland social enterprises.
- **Jobs Queensland’s Anticipating Future Skills series (AFS)**, which delivered four 5-year employment projections for regions, occupations, industries and qualification fields.
- **Micro-credentialing Program**, which facilitated the development of micro-credentials (short courses) for industries to address current and emerging workforce skilling needs complementary to the VET system. 17 projects up to \$250,000 were funded in 2023–24.
- **Rural and Remote Capacity Building project**, which featured partnership with rural and remote communities to deliver a local skills and job creation initiative to increase workforce capacity in these locations. This was a three-year, \$3 million partnership between DESBT and the LGAQ across 24 rural and remote councils.

## Case study

### Diverse Queensland Workforce (DQW) program Multicultural Community Centre ‘MCC One Stop Shop’

Since September 2021, Multicultural Community Centre has been awarded \$746,900 under DQW to establish a hub in Newmarket, in Brisbane’s northside, to assist up to 360 migrants, refugees and international students over three years. Upon commencement, participants are individually assessed, and an individualised support plan is developed to determine the level of support required to assist them into employment. Support is tailored to individual needs and includes employment-focused workshops and assistance. As of 30 June 2024, 268 participants have been assisted with 225 exited and 152 (68%) gained employment.

Nilmini, originally from Sri Lanka, came to Australia with extensive experience in laboratory sciences and holds a Bachelor of Science (Biology) and a master’s degree in industrial and environmental chemistry. Since moving to Australia, Nilmini found she was struggling to navigate the Australian job market.

Nilmini turned to the MCC One Stop Shop for guidance and assistance in revamping her resume, applying for jobs, and improving her interview techniques. Through MCC’s employer networks and support, Dulux Group contacted Nilmini for a job interview and she was successful in securing a full-time permanent position as a Quality Control Chemist.

Nilmini couldn’t be happier, ‘I really need to thank the team at MCC One Stop Shop for everything they have done for me. The coaching sessions have also really helped me improve my ability to face challenges confidently and achieve professional goals.’

## Small Business

Helping small businesses to start, grow and thrive.

### Queensland small business: snapshot as at 30 June 2024

<b>482,000</b>	<b>1,072,000</b>
Small Businesses in Queensland	Queenslanders employed by Small Business

In 2023–24, the department delivered the following key small business initiatives.

- Launched the \$250 million **Queensland Small Business Strategy 2024–2027**, which sets out a renewed strategic direction to grow a thriving, resilient small business sector by:
  - supporting local jobs and contributing to a strong economy across Queensland
  - supporting small businesses by addressing their key challenges including concerns around operating costs, increasing the skills and capabilities of small business owners and their workforce.
- The three-year strategy delivers 20 actions across four focus areas:
  - lowering costs for small business
  - boosting opportunities for small business
  - building business resilience, capability and workforce
  - growing diversity.
- Provided the **First Nations Cultural Capability Resource** offering small and medium-sized businesses practical tools, information and referrals to build cultural awareness in all aspects of business operations. This provided employers with tips to help foster cultural diversity and establish a culturally safe workplace to drive innovation, market expansion, employee and community engagement, and customer satisfaction. Building cultural safety provided a significant benefit for both employee well-being and business performance – and grew employment opportunities for First Nations Queenslanders.
- Delivered more than \$3.6 million in grant funding to 141 small businesses through the department’s suite of small business grants programs that provide support to small businesses to grow and thrive by committing funds to increase key capabilities, embrace innovation, and capitalise on high growth opportunities.
- Established the **Queensland Indigenous Business Network (QIBN)** as a statewide body to advocate for and advance Aboriginal and Torres Strait Islander business including business intenders. This body supported Indigenous businesses to access the substantial economic opportunities with government and corporates, enabling the sector to collaborate and to grow.
- Continued the **Queensland Small Business Advisory Council (QSBAC)** to provide a voice for Queensland small businesses, representing their interests to the Queensland Government.
- Appointed the **Small Business Procurement Advisor – Q2032**, as committed within the *Q2032 Procurement Strategy*, to facilitate meaningful opportunities for Queensland small businesses, of all types and from across the state, to build capability and be engaged as valued suppliers to government – before, during and after the 2032 Olympic and Paralympic Games.

- Partnered with local stakeholders during **Queensland Small Business Month (QSBM) in May 2024** to deliver 180 events and activities across the state. A dedicated grant program provided up to \$100,000 for regional and remote small business associations, chambers of commerce and local councils to access up to \$2,000 to build networks; essential to help small businesses grow.
- Assisted small businesses with financial and mental health challenges through the **Small Business Support Network (SBSN)**. Since July 2021 when the service began, 3,450 clients have been supported by a small business financial counsellor, and 1,150 (as at 30 June 2024) have accessed a small business wellness coach since July 2022 when this service commenced.
- Continued advocacy through the **Queensland Small Business Commissioner (QSBC)** to enhance the operating environment for small businesses in Queensland and help reduce the time and costs associated with resolving disputes involving small businesses, under the *Small Business Commissioner Act 2022*. Further details are provided in Appendix 2 of this report.
- Supported small businesses to **rebuild stronger following natural disasters** – Queensland experienced numerous events that activated Disaster Recovery Funding Assistance to support communities through counter disaster operations and reconstruction of essential public assets. The Queensland weather events of November 2023 to January 2024 led to:
  - disaster assistance loans and grants activated for impacted small businesses in 12 LGAs
  - advice on disaster assistance loans and grants provided and available support through wellness coaches, small business financial counsellors, and the Mentoring for Growth recovery program
  - services of the Office of QSBC accessed.
- Delivered a **free workforce planning course for Queensland small businesses**. Jobs Queensland partnered with University of Sunshine Coast to extend its free Workforce Planning for Business micro-credential in two Queensland regions (Sunshine Coast, Cairns) to support over 200 small-medium businesses.
- Delivered the **Small Business Friendly Council** program in partnership with Jobs Queensland and the QSBC to provide program members with tailored resources to help them connect their local businesses with the free workforce planning resources, tools, training and support available.
- Achieved 467 mentoring sessions through **Mentoring for Growth**, with 431 unique businesses and mentors, providing 675 volunteer hours of customised business mentoring. More than 50% of the business mentees were female. As a result of focusing on face-to-face delivery for specific cohorts, the number of Culturally and Linguistically Diverse business mentees represented approximately 25% of the participants and there was over a 100% increase in First Nations businesses participating in the program from the 2022–23 financial year.

## Case studies

### **Case study 1: Small Business Financial Counselling Service, Small Business Wellness Coaching Service and Small Business Support Services Fund access**

Sally, a passionate business owner, approached the service after experiencing financial hardship in her business and personal cash flow. She had a history of traumatic domestic violence experiences, leading to ongoing mental health challenges, which were affecting her business.

Sally worked with a financial counsellor and transitioned her business to be completely online and sourced external employment to top up her income. Working with a wellness coach and utilising funds available through the program, Sally accessed professional psychiatric support which significantly improved her situation putting her on a road to a more resilient future.

Feedback from Sally stated: 'they're both excellent at what they do and my case was very difficult. I wish you could clone them both...they have both been an incredible blessing [and] I am so grateful'.

### **Case study 2: Dillon Mechanical Pty Ltd, Goondiwindi**

Under the Business Growth Fund Round 4 Grants Program, the business Dillon Mechanical Pty Ltd received \$27,488 (ex GST) to purchase four additional toolings to manufacture additional rubber moulded products for their product line.

As a result of their funded project, the business Manager Mrs Anna Dillon reports: *"The Business Growth Fund program has played a pivotal role in our business's development, facilitating significant advancement across various fronts. Through this program, we've successfully amplified our sales figures, bolstered our workforce by hiring additional staff, broadened our supply chain network, and expanded our warehouse facilities. This support has not only fuelled our growth trajectory but has also fortified our position in the market, positioning us for further success and sustainability in the long run."*

The business expects their revenue to increase substantially, during the grant project they have employed two additional staff members, and they will take on one additional staff member.

Dillon Mechanical Pty Ltd also received \$5,000 under Business Basics Round 2 Grants Program to engage in Strategic Marketing for Business Growth.

## Training and Skills

Connecting people to quality training and skills.

### Queensland Training: snapshot as at 30 June 2024

<b>244,300</b>	<b>6.3%</b>	<b>6.6%</b>
Government-funded students	Apprentice and trainee new commencements % growth between 2022–23 and 2023–24	Apprentice and trainee completions % growth since 30 June 2023

In 2023–24, the department delivered the following key training and skills initiatives:

- Released the **Good Jobs, Great Training: Queensland Skills Strategy 2024–2028** in May 2024, a transformative plan for the state’s training system, informed by the most significant review of the system in almost a decade.
  - The Queensland Skills Strategy is a significant action under the *Good people. Good jobs: Queensland Workforce Strategy 2022 – 2032*.
  - The strategy was informed by extensive consultation involving more than 8,000 Queenslanders and outlines 22 initial actions.
  - Through the Queensland Skills Strategy, the Queensland Government committed funding for an additional 30,000 Free TAFE places.
- Provided accessible and affordable VET programs through **VET Investment** that supports individuals to participate in training and develop skills that leads to sustainable employment. VET investment’s key programs included Free TAFE, User Choice (apprenticeships and traineeships), Certificate 3 Guarantee, Higher Level Skills, VET in Schools and Skilling Queenslanders for Work.
- Invested \$617 million in providing government subsidies for qualification attainment under Queensland’s core skilling programs (Certificate 3 Guarantee, Higher Level Skills and User Choice) to over 252,000 students in priority industries including Manufacturing, Energy, Community Services and Health and Construction.
- Delivered **Free TAFE**, comprising:
  - **Free TAFE** – A joint initiative of the Australian and state and territory governments providing tuition-free courses to students wanting to train, retrain or upskill.
  - Funded **Free Nursing** through a \$162.5 million investment to support the future of Queensland’s health and care system, the Queensland Government is allowing eligible Queenslanders, who are passionate about healthcare, to study the Diploma of Nursing for free in 2024 and 2025.
  - **Free Apprenticeships for Under 25s** made available to eligible Queenslanders, commencing one of more than 130 priority apprenticeships and traineeships on offer, to increase the number of Queenslanders with formal post-school qualifications.
- Ensured delivery of government-subsidised training through high-quality **Skills Assure Suppliers (SAS)**. At the end of the 2023–24 financial year there were approximately 355 SAS delivering VET.
- Launched **Free Tools for First Years program** – The \$4 million program assisted Queensland apprentices working in the construction industry by allowing eligible first

year Queensland apprentices to claim a rebate of up to \$1,000 for the purchase of industry relevant tools.

- Supported first- and second-year female apprentices through the **Women in Trades Mentoring Program (WITMP)**. The program enhanced women's economic security by supporting female apprentices in traditionally male-dominated trades, including manufacturing, automotive, electrical, and construction industries
- Continued to deliver the **Paving the Way – First Nations Training Strategy**. The 11 actions helped to drive economic participation through Indigenous-led training and workforce solutions, skills and training pathway opportunities.
- Approved 11 Indigenous designed and led projects under the **Indigenous Workforce and Skills Development Grant**, worth \$2.43 million, that assisted 350 Aboriginal and Torres Strait Islander people into employment while addressing local training and workforce concerns for the community.
- Provided young people the opportunity to explore career opportunities while at school through the **Gateway to Industry Schools Program (GISP)**. In 2023–24, the GISP program was expanded to include renewable energy, delivering a key action of *Queensland's Clean Energy Workforce Roadmap*.
- Provided funding for community-based organisations through **Skilling Queenslanders for Work (SQW)**. SQW provided wrap-around or tailored support and specialist assistance services to participants as they completed a vocational qualification up to Certificate III level. In 2023–24 SQW achievements included:
  - 388 projects approved totalling \$91.6 million to assist 12,366 vulnerable Queenslanders
  - over 10,300 people assisted throughout the year
  - 73% of participants engaged in employment, training or a combination of both, 12 months after exiting the program
  - \$8 returned to the Queensland economy for every dollar invested.
- Since 2017, the department has invested \$346 million in **Training Infrastructure** through capital renewal and upgrade programs.
- Invested \$58.3 million in capital works for training infrastructure in 2023–24, including:
  - \$41.22 million for the completion of a number of projects under the Equipping TAFE for our Future initiative.
  - \$14.57 million for the Annual Training Infrastructure Program
  - \$1.35 million for TAFE Technology Fund projects
  - \$1.7 million for the commencement of the expansion of the Great Barrier International Marine College.
- In 2023–24, annual expenditure on planned, unplanned and statutory maintenance totalled \$24.3 million across state owned TAFE campuses including works on roads, carparks, buildings, gas, Heating, Ventilation and Air Conditioning (HVAC), Building Management Systems (BMS), fire services, lighting, CCTV and security, electrical and data services.

# Case study

## Skilling Queenslanders for Work

### Vocational Partnerships Group Inc.

In 2021–22, **Vocational Partnerships Group Inc** (VPG) was awarded a three-year contract to deliver a Get Set for Work project in Cairns and Atherton. Each year, the project assists 63 disengaged youth aged 15–19 years, including First Nations peoples, people with a disability and those dealing with mental health challenges.

Participants received extensive support while undertaking the Certificate II in Skills for Work and Vocational Pathways and developing foundation skills to enhance their employment opportunities.

Tyler, is a 17-year-old whose engagement on the project propelled him from school-leaver to employee. The accredited training that he undertook, refined his communication skills, elevated his confidence, and helped navigate his career path. Tyler's passion for hands-on work in the automotive sector, emerged through career exploration activities.

Fuelled by this newfound purpose, Tyler embraced the job search phase with enthusiasm and self-assurance, and he was encouraged and supported to network effectively, demonstrating his eagerness and willingness to work.

Tyler's secured a job trial with Bob Jane T-Mart. During the trial, his capabilities took centre stage leaving a lasting impression on the employer. Tyler was offered employment with Bob Jane T-Mart, which kick-started his career as a Trades Assistant in the automotive industry.



## Our People

Our dedicated employees are essential for delivering government commitments and services to Queenslanders. They support the State's current and future workforce by helping small businesses to start, grow and thrive and make a difference to people's education and training, careers and working lives.

### Our integrity framework

Our ethical values underpin our workplace culture and how we do business. During 2023–24, the department continued its commitment to maintaining high behavioural standards and supported employees to act with integrity through professional training and administrative policies and practices.

The department's integrity framework includes the following key elements:

- ethical decision-making and appropriate behaviour
- fraud, corruption, misconduct prevention and control
- complaints management.

The integrity framework aligns with the whole-of-government framework, builds on departmental policies and guidelines, internal networks, employee awareness and manager engagement.

The department continued its commitment to transparency and accountability, by complying with and promoting public sector ethics principles set out in the *Public Sector Ethics Act 1994*.

The department is committed to supporting ethical decision-making and has a policy and procedure to support the reporting of wrongdoing, including making public interest disclosures.

Employees completed online, annual refresher training on the Code of Conduct, as well as on identification and dealing with suspected fraud and corruption. Employees with procurement and financial delegations also completed annual refresher training.

The department continued to actively engage with the Together Union through the Agency Consultative Committee regarding employee and industrial relations matters, including flexible workplace arrangements and workplace change.

### Maintaining employee wellbeing

The department is focused on providing support for employees to ensure overall employee wellbeing. The suite of flexible work policies and procedures include provision for flexible working arrangements, leave arrangements, part-time work and job sharing.

During 2023–24, the department continued to roll out health, safety, and wellbeing initiatives for its employees and encouraged participation through a range of activities.

- Promoted the Queensland Government's free influenza vaccination program and flexible working arrangements to attend vaccinations during work hours.
- Implemented an online, mental health and wellbeing platform, providing resources, workshops, webinars and videos across a range of mental health topics.
- Facilitated the Mental Health Support Officers Network, a network of employees trained

in mental health first aid, supporting a comprehensive approach to mental health and wellbeing for employees experiencing mental health issues.

- Promoted an external employee assistance service providing free, professional, and confidential counselling services to assist employees and immediate family members with both personal and work-related problems.
- Supported employees and their managers/supervisors when employees returned to work from injury and illness.
- Provided information resources assisting employees with ergonomics to suit individual needs in the workplace and undertook ergonomic assessments.
- Continued to build awareness and a culture that supports a diverse and inclusive organisation through celebrating and promoting annual recognition events including NAIDOC Week, Disability Action Week, Harmony Week, IDAHOBIT Day, Pride Month, R U Ok? Day, and International Women’s Day.
- Continued to educate and inform employees through *Diversity in Focus* campaigns and the implementation of extensive online learning modules focusing on our diversity target groups.
- Undertook regular internal communications through wellbeing newsletters and campaigns including Safe Work Month and Mental Health Week.
- Facilitated the inclusion of a wellness room in the new office space to accommodate wellbeing and cultural needs.
- Established a permanent senior safety role in the Corporate Services Division to improve and expand our health, safety and wellbeing focus across the department.

The Queensland Government has formal support options in place for employees who are experiencing domestic and family violence. The department is committed to providing a positive, ethical, and healthy workplace, and recognises that employees may face difficult situations in their work and personal life, such as domestic violence. Staff undertook mandatory domestic and family violence training – *Recognise, Respond, Refer*.

## Workforce profile

**Table 1. Workforce profile data**

Total FTE for Department of Employment Small Business and Training	FTE
Total FTE <sup>1</sup>	617.85

Note:

1. Data is based on Minimum Obligatory Human Resource Information full-time equivalents for the fortnight ending 28 June 2024 (the last full pay period for 2023–24).

## Valuing inclusion and diversity in our workplace

**Table 2. Target Group data**

Gender	Number (Headcount) <sup>1</sup>	Percentage of total workforce (Calculated on headcount)
Woman	487	71.51%
Man	194	28.49%
Non-binary	0	0
Diversity Groups	Number (Headcount)	Percentage of total workforce (Calculated on headcount)
Women	487	71.51%
Aboriginal Peoples and Torres Strait Islander people	18	2.64%
People with disability	37	5.43%
Culturally and Linguistically Diverse Speak a language at home other than English <sup>2</sup>	30	4.41%

Notes:

1. Data is based on Minimum Obligatory Human Resource Information full-time equivalents for the fortnight ending 28 June 2024 (the last full pay period for 2023–24).
2. This includes Aboriginal and Torres Strait Islander languages or Australian South Sea Islander languages spoken at home.

**Table 3: Target group data for Women in Leadership Roles**

	Women (Headcount)	Women as percentage of total leadership cohort (calculated on headcount)
Senior Officers	30	57.69%
Senior Executive Service and Chief Executives (Classified, s155 combined)	10	43.48%

## Strengthening our workplace culture

### Strategic workforce planning

Our Strategic Workforce Plan 2022–2024 has a focus on talent acquisition, a contemporary and agile workforce, our workplace culture, and growing our leaders. This is supported by key action plans for equity, diversity and inclusion, capability development, reward and recognition, talent acquisition, and wellbeing.

The department is committed to preparing for the work of the future, ensuring staff have the right skills and core capabilities required for their roles. Our commitment to continuous workforce and workplace improvement aligns with the Public Sector Commission’s *Even Better Public Sector* strategy, which aims to ensure the public sector’s ways of working inspire trust in government with a workforce that is ready to meet any challenge and a workplace that supports our people to serve the community.

### Preparing for the future of work

To further prepare and position the department for the future of work, the department:

- developed our Capability Development Plan 2024–2025 to drive contemporary learning and development across the department

- implemented recruitment and selection drop-in sessions to build capability in inclusive recruitment and selection and contemporary practices
- provided tailored mentoring and development through our Women in Leadership program and the Young DESBT Network
- continued to invest in developing capabilities in our regionally based frontline staff
- continued to develop and analyse our workforce data to understand trends and workforce issues in supporting planning
- continued to participate in the sector's Strategic Workforce Council to address strategic issues for the Queensland Public Sector
- continued to participate in key sector-wide communities of practice coordinated by the Public Sector Commission such as talent acquisition, capability development and strategic workforce planning.

### **Encouraging learning and development**

During 2023–24, employees were actively supported and assisted with continued learning and development as part of their annual performance and development planning. The MyCareer learning management system provided online mandatory training for employees to keep their knowledge current and access equity and diversity and digital training modules.

Other activities undertaken to invest in the capability of leaders included continued access to everyday conversations for healthy minds online training, to support the development of a mentally healthy workforce, and Recognise, Respond, Refer to build understanding and capability in supporting employees who may experience domestic and family violence.

### **Supporting inclusive workplaces**

During 2023–24, the department continued to implement, review, and update human resources policies and practices and progressed workforce planning initiatives to attract, recruit and retain an inclusive, diverse, and capable workforce.

We developed the department's Disability Services Plan 2023–2025, ensuring people with disability have access to the same departmental services, information and facilities that are available to the broader community. Further initiatives included:

- maintaining the department's membership with the Diversity Council of Australia who provide important resources and webinars to educate and inform our employees
- supporting Queenslanders from diverse backgrounds to access VET
- supporting Skills Assure Suppliers with embedding the Inclusive Learning: A Way Forward framework by conducting scheduled audits
- promoting assistive technology that can support the participation of people with disability in VET
- recognising and promoting Disability Action Week with stories from people with lived experience
- delivering unconscious bias training for our workforce
- continuing to support and grow our Diversity and Inclusion Network
- implementing inclusive recruitment and selection training.

As part of the department's commitment to equity, diversity, and inclusion under the *Public Sector Act 2022*, the inaugural Reframing the Relationship Plan 2024–2025 was developed and implementation has commenced. Key workforce initiatives in this plan include a focus on cultural capability. Cultural capability involves acquiring knowledge about the culture of

individuals and groups of people, and integrating that knowledge into our standards, practices, and attitudes.

The department implemented training and programs aimed at increasing our understanding of the historical and contemporary issues relating to Aboriginal and Torres Strait Islander peoples and engaging with them in a sustained, respectful, and participatory manner when developing policies, programs, and services. Staff undertook mandatory First Nations – SBS Inclusion training as a first step in building understanding and cultural capability.

## **Managing high-performance**

High standards of performance and clear behavioural expectations are aligned to the Queensland Public Service values and are communicated to all employees through departmental policies, procedures, and online mandatory training. During 2023–24, employee performance continued to be managed through annual performance and development plans.

The department continued to deliver workshops on building a high-performance culture and positive performance management to employees, ensuring a continued focus on performance as individuals and teams.

Seamless transition into the department or across teams is critical to maintaining a high-performing organisation. We provide managers and employees with information to transition into a new work environment and new role as quickly as possible. Prior to commencement of new employees, managers are provided with a new starter checklist and information to ensure seamless onboarding, to implement reasonable workplace adjustments where required, to assist employees with disability and support an inclusive and diverse workplace.

The department measured its organisational performance against the Strategic Plan 2023–2027. This included the department’s response rate to the annual Working for Queensland employee opinion survey, which at 78% remains above the public sector average.

Overall, the department’s survey results were positive, showing there were improvements compared to previous years in employee engagement, fair and equitable treatment, leadership, and flexibility.

## **Recognising employee excellence**

During 2023–24, the department introduced a range of formal and informal recognition of employees to promote and recognise excellence in service. The inaugural DESBT Awards program sought nominations to recognise contributions of individuals and teams to:

- innovation
- excellence in customer service
- championing diversity and inclusion
- collaboration and partnerships
- leadership
- promoting health, safety, and wellbeing
- advancing the government’s objectives.

## **Early retirement, redundancy and retrenchment**

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

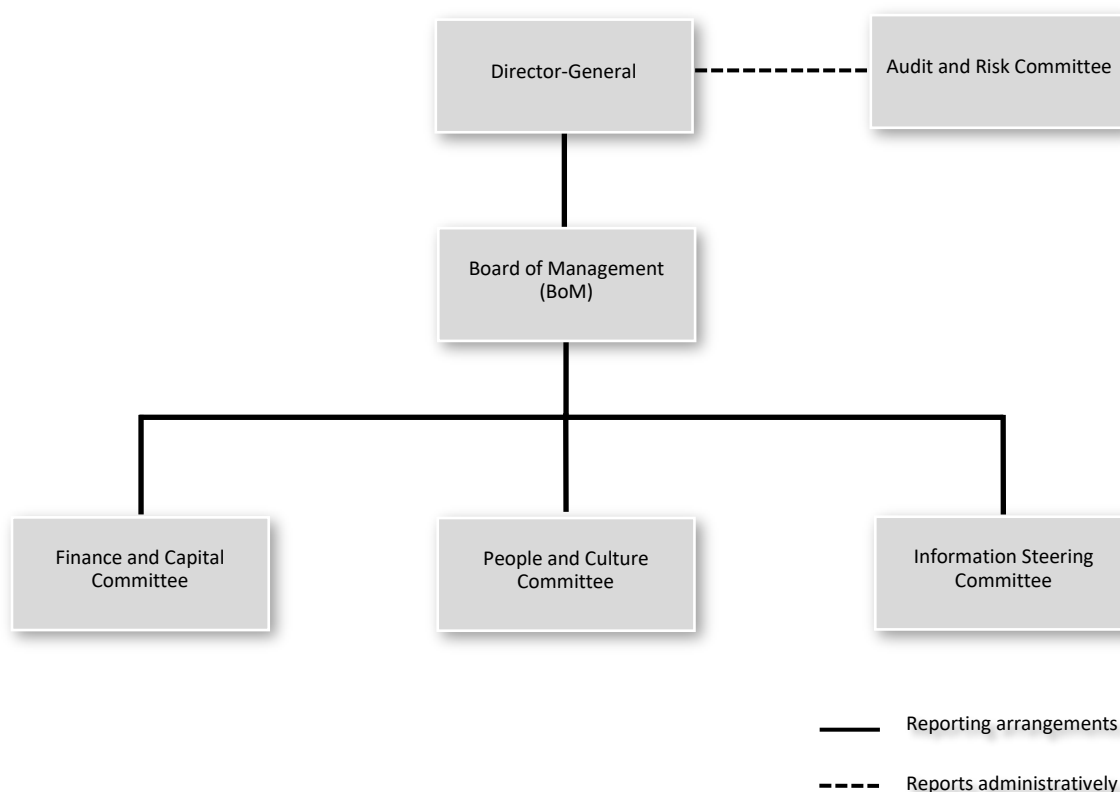
# Our Governance

Our governance framework supports our commitment to the fundamental principles of good governance, performance and accountability, which guides us to achieve our strategic goals and operational objectives effectively, efficiently and ethically. Our governance practices ensure we conform to applicable legislative, compliance and best practice management standards, providing confidence in the delivery and integrity of our services.

Our approach to corporate governance is to provide a balance between performance and accountability. We have clear organisational and governance committee structures to ensure we use resources effectively and efficiently, act ethically and with integrity in the best interests of Queensland and make evidence-based decisions that are supported by transparent and clear roles, responsibilities, policies and procedures.

## Governance framework

The department's governance arrangements are shown below.



## Board of Management

DESBT's Board of Management (BoM) supports the goals and objectives of the department by overseeing the management of the department and by setting departmental direction on operational issues. BoM meets once every six weeks to fulfil its duties and to meet the demands of the department.

The BoM is responsible for:

- establishing the objectives, strategies and priorities for the department
- overseeing the management of the department by providing a forum for discussion and decision-making on departmental direction for operational issues
- reviewing and approving recommendations to amend the department's service delivery statements and performance targets
- approving new departmental policies, procedures and performance objectives
- approving the annual budget, budget papers and budget reviews
- monitoring and approving the progress of major expenditures, investments, acquisitions and divestitures
- monitoring and approving people and resource management issues to support compliance with whole-of-government priorities and the department's business objectives
- monitoring and reporting on workplace health and safety matters, risk management, business continuity, internal compliance and control, regulatory compliance, and compliance with whole-of-government directives, standards and policies
- monitoring performance and reporting requirements against departmental targets
- providing and approving reports to the Minister, the Department of the Premier and Cabinet, Queensland Treasury, the Queensland Public Sector Commission and other Queensland Government agencies
- monitoring and reviewing existing projects and assessing and approving new projects that may impact the delivery of key departmental objectives.

## Membership

Standing Members:

- Director-General (Chair)
- Deputy Director-General, Investment
- Deputy Director-General, Engagement
- Deputy Director-General, Strategy
- Deputy Director-General, Corporate Services

Associate Members:

- Head of Corporate, Corporate Services (Secretariat)
- Chief Finance Officer, Corporate Services

## Board of Management Sub-Committees

The BoM is supported by a number of sub-committees which are chaired by Standing Members of the BoM, with other members drawn from executive leaders and managers from across the department. The sub-committees meet at least quarterly and report to the BoM.

**Finance and Capital Committee (FCC):** The purpose of the FCC is to govern the department's capital and financial management. Its responsibilities include monitoring and responding to possible risks and issues relating to financial and budgetary management and capital expenditure.

**People and Culture Committee (PCC):** The purpose of the PCC is to oversee the department's commitment to attracting, building, maintaining and leading an effective and contemporary workforce. Its responsibilities include monitoring and responding to possible

employee/employment related risks. In addition to standing membership, the PCC includes representatives from both the Diversity and Inclusion Network and the Young DESBT Network.

**Information Steering Committee (ISC):** The purpose of the ISC is to govern the department’s commitment to information and communication technology (ICT) management and reporting. Its responsibilities include establishing priorities and objectives for the department’s ICT capability and monitoring ICT related risks.

## Executive Leadership Team

Led by the Director-General, the executive leaders drive, manage, and oversee the activities and functions undertaken across the department. Below is our executive leadership as at 30 June 2024.

Group head	Biography
<p>Peter McKay Director-General</p>	<p>Peter McKay is the Director-General for the Department of Employment, Small Business and Training, assuming the role from 3 June 2024.</p> <p>Peter brings over 25 years’ public sector experience where he has led service delivery, policy, corporate and regulatory functions across a broad range of Queensland Government agencies. Delivering more impactful public services through improved leadership has been a strong focus of his recent work, including development of new public employment laws for a fair and responsive public sector.</p> <p>Peter believes that working in partnerships is the pathway to better services. His most recent role as Deputy Director-General of the Office of Industrial Relations has focused on improving the performance and reputation of their important regulatory functions. Peter sees the importance of DESBT's functions in supporting Queenslanders to improve their social and economic circumstances by connecting their hopes with the opportunities that our programs provide.</p>
<p>Steve Koch BEcon BBus(Mgmt) Deputy Director-General – Investment</p>	<p>Steve Koch has over 20 years’ experience in designing and delivering economic development programs and initiatives for government. Steve is an accomplished executive, with a focus on designing and delivering employment, small business and VET funding programs, and investment in training facilities to drive outcomes for Queenslanders.</p> <p>Previously, Steve has served as Acting Director-General for the department and Associate Director-General for the Employment, Small Business and Training branch of the former DYJESBT department.</p> <p>Steve is a strong advocate for diversity and inclusion and champions these values within the department through his role as Diversity and Inclusion Champion.</p> <p>He is a member of the Board of Directors of the Building and Construction Industry Training Fund (BCITF Qld) and Board of Directors of MSQ Limited. Steve holds a Bachelor of Economics and a Bachelor of Business Management from the University of Queensland.</p>



<p>Leighton Craig LLB Deputy Director- General – Corporate Services</p>	<p>Leighton Craig joined DESBT in November 2021 and is the Deputy Director-General of Corporate Services.</p> <p>Leighton has over 25 years experience in the public sector, including serving as Cabinet Secretary and a Clerk of the Executive Council in the Department of the Premier and Cabinet. He has a diverse range of experience in policy and project areas within government, including disaster relief, legal and constitutional services, law and justice policy, community engagement on significant infrastructure and Aboriginal and Torres Strait Islander cultural heritage.</p> <p>Leighton is a dedicated leader who is committed to providing a high performing work environment with a strong corporate governance framework where staff can deliver outcomes for Queensland.</p> <p>Leighton is a member of the Public Records Review Committee. He holds a Bachelor of Laws from Queensland University of Technology and was admitted as a solicitor of the Supreme Court of Queensland in 1996.</p>
<p>Chantal Llora BA BCrim Deputy Director- General – Engagement</p>	<p>Chantal joined DESBT in February 2023. She is a dynamic and visionary leader with over 20 years’ strategic engagement and leadership experience across the Commonwealth and Queensland governments. She has held various senior positions across the fields of Communication, Engagement and Policy in both central and economic agencies. Chantal has led national reform strategies including the Gonski Schools Funding Model, Australia’s involvement in Afghanistan, as well as overseeing the operations of Australia’s hosting of the G20.</p> <p>She is passionate about honest leadership that delivers long-lasting results, which is achieved through a collaborative style and strong strategic capabilities.</p>
<p>Rebecca Atkinson GAICD Deputy Director- General – Strategy (July – Nov 2023)</p>	<p>Rebecca joined DESBT in November 2020 to lead the Strategy division. In this role, Rebecca was shaping evidenced-based strategic policies that support employment growth, small business and increased economic readiness through skills and training, as well as overseeing data and analytics and facilitating employment and training pathways for emerging industries.</p> <p>Rebecca has 10 years’ experience in leadership roles across the Queensland Public Service and local government, including Deputy Director-General for the former Department of Local Government, Racing and Multicultural Affairs. Rebecca is a graduate of the Australian Institute of Company Directors.</p>
<p>Jackie Ingram LLB A/Deputy Director- General – Strategy (Dec 2023–June 2024)</p>	<p>Jackie has been acting as the Deputy Director-General, Strategy for DESBT since December 2023.</p> <p>Jackie is a highly experienced senior executive with a track record of success in key policy and reform roles. She has over 17 years experience in the public sector having held leadership roles across state government agencies in the New South Wales, Victorian and Queensland public sectors.</p> <p>Jackie is known for her authentic leadership style and her dedication to developing strong, capable and inclusive teams. She has extensive experience in policy development and stakeholder</p>

	<p>engagement and has a deep commitment to building long lasting and genuine partnerships with key stakeholder groups. Prior to joining DESBT in 2019 Jackie held various roles focused on policy development and stakeholder engagement across a range of portfolios including police, law and justice, communities and premier and cabinet.</p> <p>Jackie holds a Bachelor of Laws from the Queensland University of Technology.</p>
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# Risk management and accountability

The *Financial Accountability Act 2009* requires the Director-General (accountable officer) to establish and maintain appropriate systems on internal control and risk management.

The department's governance arrangements ensure risks are considered at all levels of the agency, with the Audit and Risk Committee overseeing the effective performance of our risk management framework and providing guidance and leadership around audit activities, financial reporting, fraud and corruption prevention, internal controls and compliance.

## Audit and Risk Committee

The Audit and Risk Committee (ARC) is an independent advisory body directly responsible to the Director-General. It assists the Director-General to effectively discharge the legislative accountabilities under the *Financial Accountability Act 2009*, Financial and Performance Management Standard 2019 and other relevant legislation and prescribed requirements.

ARC provides independent assurance and assistance to the Director-General on:

- risk management, control and compliance frameworks
- external accountability responsibilities as prescribed in legislation and standards.

In discharging its responsibilities, the ARC has authority to:

- conduct or authorise investigations into matters within its scope of responsibility
- access information, records and personnel of the department for such purpose
- request attendance of any employee, including executive staff, at ARC meetings
- conduct meetings with the department's internal and external auditors as necessary
- seek advice from external parties as necessary.

During 2023–24, the ARC comprised the following members:

- Independent Chair – Karen Prentis, Non-Executive Director
- External Member and Financial Expert / Deputy Chair – Debbie Brooks, Chief Finance Officer, Queensland Treasury
- Deputy Director-General, Corporate Services
- Deputy Director-General, Investment
- Associate Director-General, Employment, Small Business and Training (July–December 2023)
- Deputy Director-General, Youth Justice (July–December 2023).

In 2023–24, the ARC met five times – four general meetings and one meeting in August 2023 to review and accept the department's Financial Statements for 1 July 2022 to 30 June 2023 period.

Key achievements of the ARC for 2023–24 included:

- receiving assurance from management, confirming that all financial and non-financial internal controls and risk management functions are operating effectively and reliably
- reviewing and endorsing the ARC 2023–24 Work Plan and the 2023–24 annual internal audit plan
- overseeing the Internal Audit function and monitoring the implementation of accepted audit recommendations
- liaising with the Queensland Audit Office with respect to financial and performance audit activities

- reviewing the quarterly departmental risk reports and providing guidance for the mitigation of risks.

The external independent chair received remuneration totalling \$12,375 (inclusive of GST) in 2023–24 to prepare for and attend meetings.

## Internal Audit

The Internal Audit function is a key component of the department's overall governance and accountability structure. Internal Audit provides independent, objective assurance and advisory services to the department and the ARC that is designed to add value and improve the department's operations.

Through its assurance activities and in line with the approved Internal Audit Charter, Internal Audit aids the Director-General in the discharge of their functions and duties under the relevant provisions of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*.

Internal Audit brings a systematic, disciplined approach to evaluating and improving the effectiveness of governance, risk management, controls and processes for the department. It provides independent, objective, and risk-based advice, assurance and insight on how the department directly supports:

- establishing and maintaining appropriate systems of internal control and risk management
- determining whether compliance and fraud management are operating to prescribed requirements.

The scope of Internal Audit coverage for 2023–24 was set out in the approved Internal Audit Plan 2023–24. The Audit Plan followed a risk-based agile methodology, balancing emerging issues against core business reviews and transactional processes. Auditable areas were identified based on consultation, knowledge of the department's purpose, strategic priorities, governance and control environment, and assurance mapping relative to risk.

## External scrutiny

Independent scrutiny of government performance is an important aspect of governance, helps to promote accountability and transparency in work undertaken by government, and builds public confidence. Reports can be undertaken by various external agencies and oversight authorities including for example, Parliamentary committees, the Queensland Ombudsman, Queensland Training Ombudsman, Queensland Audit Office, Queensland Human Rights Commission and Office of the Information Commissioner.

In addition to an annual financial audit of the department's financial statements, the Auditor-General conducted performance and whole-of-government audits in accordance with the Queensland Audit Office's (QAO) Forward Work Plan.

The department monitors implementation of recommendations made by the QAO and other external agencies to ensure timely implementation of outcomes.

## Human rights

The department is committed to respecting, protecting and promoting human rights in our actions and decision-making processes. Our employees have access to resources and training to ensure they are aware of their obligations under the *Human Rights Act 2019* in undertaking their functions and decision-making.

To further the objects of the *Human Rights Act 2019* during 2023–24, the department:

- continued to apply our human rights assessment framework when making decisions
- incorporated consideration of human rights when developing new policies and procedures.

No human rights complaints were received during 2023–24. Further, no reported complaints were assessed as being human rights complaints, regardless of whether the complainant identified a human rights concern or not.

## Information systems and recordkeeping

The department complies with the *Public Records Act 2002*, the *Public Sector Act 2022* and the Queensland State Archives Records Governance Policy through promoting a positive, innovative and collaborative record keeping culture.

The department continues to increase our digital record keeping presence through the implementation of a new agency-wide electronic document and records management system (eDRMS) called Content Manager as well as other business information systems and platforms.

Appropriate security access controls have been assigned in accordance with the information security classification policy and procedures to ensure the confidentiality, integrity and availability of information.

The department's VET Modernisation and Transformation (VMT) Program is progressively replacing legacy VET systems and building the technical foundations to better support the future needs of the department.

The first phase of the VMT Program was completed in June 2024 with implementation of:

- a new secure, online, digital channel for external organisations that includes the ability to submit training activity records for processing and payment, search for prior training activities, and the ability to formalise training agreements.
- a new Centralised Contact Management Solution for use across the department's contact centre, regional offices and head office.

## Information security attestation

During the mandatory annual information security reporting process, the Director-General attested to the appropriateness of the department's information security risk management systems to the Queensland Government Chief Information Security Officer, noting that appropriate assurance activities have been undertaken to inform this opinion and the department's information security risk position.

## **Communicating roles and responsibilities**

As a commitment to good information governance and practices, the department:

- delivered mandatory online employee training in information security and information privacy to increase employee awareness of their role in good information security practices and responsibilities, with annual refresher training for all employees
- reviewed and updated published departmental policies and guidelines that are accessible by all employees
- promoted Privacy Awareness Week to reinforce privacy rights, and employees' responsibilities and protection of information.

# National and Whole-of-State Government Plans and Initiatives

## National agreements and reform initiatives

In October 2023, the Queensland Government signed the new NSA after extensive consultation and negotiations with the Australian Government and other states and territories.

The NSA commits up to \$2.54 billion of Australian Government funding for Queensland to support Queensland's ongoing investment in skills and training, including reforms to strengthen the quality of training and address critical skills needs.

This new investment is on top of \$414 million already committed by the Australian Government for the delivery of 300,000 Free TAFE places nationally from 2024 to 2026, and an additional \$88.8 million committed by the Australian Government as part of the 2024–25 Federal Budget to deliver a further 20,000 Free TAFE, VET and pre-apprenticeship places from January 2025 to boost the supply of workers in the construction industry.

The NSA is a critical enabler for the training and skills required for Queensland's economic priorities including the Queensland Energy and Jobs Plan, Queensland's record infrastructure Big Build plan, the employment opportunities arising from the Brisbane 2032 Olympic and Paralympic Games, and the Queensland Quantum and Advanced Technologies Strategy.

The new Queensland Skills Strategy is Queensland's roadmap to deliver on the NSA.

## Queensland Government

During 2023–24, the department was responsible for leading and providing significant contribution to the following whole-of-government programs and initiatives:

- Good people, Good jobs: Queensland Workforce Strategy 2022–2032
- Good Jobs, Great Training: Queensland Skills Strategy 2024–2028
- Back to Work Program
- Skilling Queenslanders for Work initiative
- Queensland Apprenticeship and Traineeship system
- Business Queensland website
- Queensland Small Business Strategy 2024–2027
- Queensland Social Enterprise Strategy
- On-time Payment Policy
- Queensland Small Business Procurement Commitment.

# Appendices



## Appendix 1 – Service areas and standards

The department’s vision is for skilled Queenslanders and vibrant small businesses growing Queensland’s economy.

The department’s purpose is to support Queensland’s current and future workforce by connecting Queenslanders to learning opportunities through quality training, employment opportunities and by helping small businesses to start, grow and thrive.

In 2023–24, the department has been working towards its strategic objectives:

- **Employment:** Preparing Queensland’s workforce for the demands of current and future industries.
- **Small Business:** Helping small businesses to start, grow and thrive.
- **Training and Skills:** Connecting people to quality training and skills.

<b>Employment</b>		
<b>Service standards</b>	<b>2023–24 Target/Est.</b>	<b>2023–24 Est. Actual</b>
<b>Effectiveness measure</b>		
Overall customer satisfaction with employment programs.	90%	97.9%
<b>Efficiency measure</b>		
Administrative cost per \$1,000 of employment grant programs. <sup>1</sup>	\$103.80	\$73.44
<p>Note:</p> <p>1. The positive variance between the 2023–24 Target/Estimate and 2023–24 Estimated Actual is attributable to lower administrative costs than budgeted.</p>		

<b>Small Business</b>		
<b>Service standards</b>	<b>2023–24 Target/Est.</b>	<b>2023–24 Est. Actual</b>
<b>Effectiveness measures</b>		
Percentage of new or existing businesses reporting increased capability, (including digital), as a direct result of participation in small business grant programs.	98%	98.4%
Percentage of businesses assisted by small business grant programs that report a projected increase in either employment, turnover or profitability.	98%	97.8%
Average score out of 5 by customers for how easy it is to use the Business Queensland website.	3.5	3.4
<b>Efficiency measure</b>		
Administrative cost per \$1,000 for small business grant programs. <sup>1</sup>	\$130.60	\$178.30
<b>Notes:</b> 1. The variance between the 2023–24 Target/Estimate and 2023–24 Estimated Actual is due to the timing of program rounds and changes to the structure of milestone payments in some programs throughout the year.		

<b>Training and Skills</b>		
<b>Service standards</b>	<b>2023–24 Target/Est.</b>	<b>2023–24 Est. Actual</b>
<b>Effectiveness measures</b>		
Proportion of all attempted competencies successfully completed.	93%	90.2%
Proportion of Queenslanders with higher qualifications.	65%	68.1%
Proportion of VET graduates in employment or further study.	87%	83.2%
Number of completions – Apprenticeships. <sup>1</sup>	11,500	10,000
Number of completions – Traineeships.	13,500	16,400
Number of completions – school based apprenticeships and traineeships (SATs). <sup>2</sup>	5,000	4,100
Proportion of graduates satisfied with the overall quality of their training.	89%	89.2%
Proportion of employers satisfied with graduates of – national accredited training. <sup>3</sup>	85%	76.3%
Proportion of employers satisfied with graduates of – apprenticeships and traineeships. <sup>4</sup>	83%	75.5%
<b>Efficiency measure</b>		
Average cost per competency successfully completed. <sup>5</sup>	\$690	\$936
Notes:		
<p>1. The variance between the 2023–24 Target/Estimate and 2023–24 Estimated Actual is consistent with national results. The 2023–24 Estimated Actual is an increase on the previous year and is expected to continue increasing due to recent increases in commencement of apprenticeships.</p> <p>2. The variance between the 2023–24 Target/Estimate and the 2023–24 Estimated Actual is related to changeable labour market conditions. The 2023–24 Estimated Actual is an increase on the previous year.</p> <p>3. The variance between the 2023–24 Target/Estimate and 2023–24 Estimated Actual reflects a national trend of lower satisfaction with nationally accredited training reported at 78.5% nationally.</p>		

4. The variance between the 2023–24 Target/Estimate and 2023–24 Estimated Actual reflects a national trend of lower satisfaction with nationally accredited apprenticeship training reported at 73.2% nationally.
5. The variance between the 2023–24 Target/Estimate and 2023–24 Estimated Actual is due to the training budget being revised higher than the growth in successful competencies.

## TAFE Queensland

Service standards	2023–24 Target/Est.	2023–24 Est. Actual
Proportion of all attempted competencies successfully completed. <sup>1</sup>	91%	87.0%
Proportion of students employed or engaged in further study after completing training. <sup>2</sup>	83%	86.2%
Proportion of graduates satisfied with the overall quality of their training.	89%	89.5%
Proportion of employers satisfied with the overall quality of training.	89%	93.1%
Average cost per competency.	\$895	\$838

**Notes:**

1. The variance between the 2023–24 Target/Estimate and 2023–24 Estimated Actual is impacted by students utilising Free TAFE to determine training opportunities best suited to their individual circumstances.
2. The wording of this measure has changed from 'Student post-training outcome (employed or in further study after training)' in 2022–23 to improve clarity. The source, methodology and calculation of this measure is unchanged.

## Appendix 2 – Government Boards and Committees

This appendix forms the 2023–24 report for DESBT’s boards and committees with reporting arrangements to the department.

Jobs Queensland					
Act or instrument	<i>Jobs Queensland Act 2015</i>				
Functions	<p>Jobs Queensland was established as a statutory entity in January 2016 to provide independent advice to assist government on future skills needs, workforce planning and development, and apprenticeships and traineeships. Jobs Queensland is committed to:</p> <ul style="list-style-type: none"> <li>fostering a skilled and productive workforce for the changing economy, inclusive of growth and jobs of the future</li> <li>enabling Queensland industries and communities to strengthen skills, capabilities and resilience</li> <li>strengthening Queensland’s VET system.</li> </ul>				
Achievements	<p>On 8 December 2023, Jobs Queensland welcomed a new Chairperson and nine new board members. This diverse group of Queenslanders used their expertise and leveraged their connections with industry, regions and community to inform and drive Jobs Queensland’s work throughout 2024.</p> <p>In 2023–24, Jobs Queensland progressed three of the 33 actions under the <i>Good people. Good jobs: Queensland Workforce Strategy 2022–2032</i>:</p> <ul style="list-style-type: none"> <li>Grow Your Own Regional Workforce (GYO) program – \$4.5M committed to support up to 20 locally-led workforce development projects over a three-year period to 30 June 2025.</li> <li>\$2.275M funding for three years (2022-23 to 2024–25) to address workforce challenges in the Health and Community Services Sector (driven by industry through the Queensland Care Consortium).</li> <li>Research on industry demand for higher-level apprenticeships including a partnership with the Australian Industry Group to explore a higher-level apprenticeship in electrical engineering.</li> </ul> <p>Jobs Queensland published 11 reports during 2023–24, including:</p> <ul style="list-style-type: none"> <li>Housing and homelessness services environmental scan.</li> <li>The Digital Literacies Imperative for Queensland Businesses: A scan of contemporary Australian literature – Featuring industry validations from Business Chamber Queensland.</li> <li>Cairns Region Workforce Development Plan: Aviation Industry, and Maritime and Marine Industry</li> <li>Grow Your Own Workforce – Region and industry environmental scan – Wide Bay Food and Beverage Manufacturing.</li> <li>Queensland Care Consortium – Health and Community Services Sectors Workforce Forum – Findings Report.</li> <li>Supporting individuals in the transition to future work framework.</li> <li>Anticipating Future Skills Series 4: Five-year Queensland employment projections to June 2026 including region and industry profiles and AFS Series 4 Final Report</li> <li>Grow Your Own Workforce – Region and industry environmental scan – Cairns region and the maritime and marine industry.</li> <li>Grow Your Own Workforce – Region and industry environmental scan – Wide Bay region and the forestry industry in partnership with Timber Queensland and ForestWorks.</li> </ul>				
Financial reporting	Jobs Queensland’s costs are contained within DESBT’s financial statements.				
Remuneration – current members appointed 8 December 2023					
Position	Name	Meetings/sessions attendance	Approved annual, sessional, or daily fee	Approved sub-committee fees if applicable	Actual fees received
Chair	James (Jim) Varghese AM	3 out of 3	\$5,659.28	N/A	\$5,659.28
Member	Danielle Carey	3 out of 3	\$4,244.40	N/A	\$4,244.40

Member	Michael Dart	2 out of 3	N/A – fee declined	N/A	N/A
Member	Dr Michael Drew	3 out of 3	\$4,244.40	N/A	\$4,244.40
Member	Donisha Duff OAM	2 out of 3	\$4,244.40	N/A	\$4,244.40
Member	Bernie Hogan	3 out of 3	\$4,244.40	N/A	\$4,244.40
Member	Heidi Cooper	5 out of 6	\$7,500.00	N/A	\$7,500.00
Member	Walter Kuhn	3 out of 3	\$4,244.40	N/A	\$4,244.40
Member	Jennifer Thomas	6 out of 6	\$7,500.00	N/A	\$7,500.00
Member	Kate Venables	3 out of 3	\$4,244.40	N/A	\$4,244.40
Member	Trent Young	2 out of 3	\$4,244.40	N/A	\$4,244.40
<b>Remuneration – former members whose term of service expired during 2023–24</b>					
Chair	Donna Bonney	3 out of 3	\$5,000	N/A	\$5,000.00
Member	Peter Henneken	3 out of 3	\$3,750.00	N/A	\$3,750.00
Member	Tamilyn Brennan	3 out of 3	\$3,750.00	N/A	\$3,750.00
Member	Daniel Gschwind	3 out of 3	\$3,750.00	N/A	\$3,750.00
No. scheduled meetings/sessions	Six meetings were held during 2023–24.				
Total out of pocket expenses	Total out of pocket expenses paid directly to Jobs Queensland Board members was \$5,054.66				

Queensland Small Business Advisory Council					
Act or instrument	Not applicable				
Functions	The Queensland Small Business Advisory Council (QSBAC) provides advice to the Minister for Employment and Small Business and Minister for Training and Skills Development on issues related to small business growth and sustainability. Through this work, the QSBAC identifies issues relevant to small business across Queensland especially at a regional level.				
Achievements	<p>In 2023–24, the QSBAC provided input on the new Queensland Small Business Strategy 2024–2027, the Good Jobs, Great Training: Queensland Skills Strategy 2024–2028, and advice and program design for QSBM 2024. The QSBAC also provided more general advice regarding the small business operating environment in Queensland.</p> <p>The most recent term of the QSBAC expired on 30 March 2024 and featured members from across Queensland's diverse communities and industry sectors. Following an Expression of Interest process, new members for the next term of the QSBAC are being finalised.</p>				
Financial reporting	QSBAC costs are contained within DESBT's financial statements.				
<b>Remuneration</b> - No remuneration was paid to members for their time.					
Position	Name	Meetings/ sessions attendance	Approved annual, sessional, or daily fee	Approved sub- committee fees if applicable	Actual fees received
Chair	The Honourable Di Farmer MP	2 out of 2	N/A	N/A	\$0
Chair	The Honourable Lance McCallum MP	1 out of 1	N/A	N/A	\$0
Ex – Officio	Dominique Lamb, Queensland Small Business Commissioner	3 out of 3	N/A	N/A	\$0
Ex – Officio	Heidi Cooper, Chief Executive Officer Business Chamber Queensland	1 out of 3	N/A	N/A	\$0
Member	Gerard Byrne	3 out of 3	N/A	N/A	\$0
Member	Tiffany English	3 out of 3	N/A	N/A	\$0
Member	Sarah Graham-Hooper	1 out of 3	N/A	N/A	\$0
Member	Laurie Johansen	3 out of 3	N/A	N/A	\$0
Member	Dipak Paudyal	2 out of 3	N/A	N/A	\$0
Member	Jennifer Qin	1 out of 3	N/A	N/A	\$0
Member	Murray Saylor	3 out of 3	N/A	N/A	\$0
Member	Tony Sharp	3 out of 3	N/A	N/A	\$0
Member	Alison Shaw	3 out of 3	N/A	N/A	\$0
Member	Petina Tieman	2 out of 3	N/A	N/A	\$0
No. scheduled meetings/sessions	During 2023–24, three QSBAC meetings were held (10 August and 21 November 2023, 12 March 2024)				
Total out of pocket expenses	\$2,186 was reimbursed to members.				

<b>The Building and Construction Industry Training Fund (BCITF) (Qld) Ltd Board</b>					
Act or instrument	<i>Building and Construction Industry (Portable Long Service Leave) Act 1991</i>				
Functions	Established on 1 January 1999 to assist in the acquisition and enhancement of the knowledge, skills, training, and education of workers in the building and construction industry. The BCITF carries out these functions trading as Construction Skills Queensland (CSQ).				
Achievements	A statement of CSQ operations and related budget is outlined in its Annual Training Plan, along with Output Reports, which are published on the CSQ website <a href="http://www.csq.org.au">http://www.csq.org.au</a> .				
Financial reporting	BCITF financial statements are published on the CSQ website at <a href="http://www.csq.org.au/about-us/corporate-publications/">www.csq.org.au/about-us/corporate-publications/</a> .				
<b>Remuneration</b>					
Position	Name	Meetings/sessions attendance	Approved annual, sessional or daily fee	Approved subcommittee fees if applicable	Actual fees received
Chair	Michael Kinnane	Board – 6 Committees: • Remuneration – 1 • Finance, Risk & Audit – 6 • Governance – 2	\$ 18,000 pa	\$ 1,500 pa	\$ 19,500
Director	Penny Cornah	Board – 6 Committee: Governance – 1	\$ 3,000 pa	\$ 500 pa	\$ 3,500
Director	Marina Chambers	Board – 6 Committee: Finance, Risk & Audit – 6	\$ 3,000 pa	\$ 1,000 pa	\$ 4,000
Director	Emma Eaves	Board – 6 Committee: Governance – 2	\$ 3,000 pa	\$ 500 pa	\$ 3,500
Director	Sue-Ann Fresneda	Board – 5 Committee: Governance – 2	\$ 3,000 pa	\$ 500 pa	\$ 3,500
Director	Steven Koch	Board – 6 Committee: Finance, Risk & Audit – 5	N/A	N/A	N/A
Director	Damian Long	Board – 6 Committees: • Finance, Risk & Audit – 6 • Remuneration – 1	\$ 3,000 pa	\$ 1,500 pa	\$ 4,500
Director	Rohan Webb	Board – 4 Committees: • Governance – 1 • Remuneration – 1	\$ 3,000 pa	\$ 1,000 pa	\$ 4,000
No. scheduled meetings/sessions	The following meetings were scheduled during 2023–24: • Board – 6 • Committees: o Finance, Risk & Audit – 6 o Governance – 2 o Remuneration – 1				
Total out of pocket expenses	\$131 for reimbursement of travel costs.				



<b>Manufacturing Skills Queensland Limited trading as Manufacturing Skills Queensland (MSQ)</b>					
Act or instrument	MSQ is established as a company limited by guarantee, as defined under the Australian Corporations Act (2001). MSQ is an incorporated independent body established and funded under the Queensland Government's Making it in Queensland: Building a Stronger Manufacturing Sector policy in November 2022.				
Functions	MSQ's mission is to build a sustainably skilled workforce for a future-proofed manufacturing industry. The MSQ vision is to create the skills pathways for the future of manufacturing in Queensland.				
Achievements	<p>Our key achievements for 2023–24 included:</p> <ul style="list-style-type: none"> <li>• Building resilience training</li> <li>• Industry Skill Advisory Program</li> <li>• Industry Workforce Advisor Program</li> <li>• Leadership excellence series</li> <li>• Mental Health Training</li> <li>• Women in Trades Mentoring Program</li> <li>• State of the Sector report</li> </ul> <p>Development of our first Annual Training Plan.</p>				
Financial reporting	MSQ's Directors produce financial statements which are independently audited by the QAO, and then published annually on our website.				
<b>Remuneration</b>					
Position	Name	Meetings/sessions attendance	Approved annual, sessional or daily fee	Approved subcommittee fees if applicable	Actual fees received
Chair	Michael Glover 1/7/23 – 25/10/23	Full Board – 5 of 5 Committees: • Remuneration – 1 of 1	\$18,000 per annum	>3 meetings - \$1500 <=3 Meetings - \$500	\$5,374.93 (billed on prorata from 1/7 – 30/10)
Chair	Paul Cooper 14/11/23 – 30/6/24	Full Board – 4 of 4	\$18,000 per annum	N/A	Nil
Director	Desmond Watkins 1/7/23 – 25/10/23	Full Board – 2 of 5 Committees: • Remuneration – 1 of 1	\$3,000 per annum	>3 meetings - \$1000 <=3 Meetings - \$500	\$1,637.02 (prorata of days served plus \$500)
Director	James Wilson 1/7/23 – 25/10/23	Full Board – 2 of 5	\$3,000 per annum	N/A	\$1,500
Director	Natalene Carter 1/7/23 – 30/6/24	Full Board – 8 of 9 Committees: • Audit & Risk – 4 of 5	\$3,000 per annum	>3 meetings - \$1000 <=3 Meetings - \$500	\$4,000
Director	Sheree Taylor 14/11/23 – 30/6/24	Full Board – 4 of 4	\$3,000 per annum	N/A	Nil
Director	Ann-Marie Allan 1/7/23 – 30/6/24	Full Board – 8 of 9 Committees: • Remuneration – 1 of 1 • Audit and Risk – 0 of 1	\$3,000 per annum	>3 meetings - \$1000 <=3 Meetings - \$500	\$4,550.68 (1 full year \$4,000 plus prorata days for 1 quarter)
Director	Stacey Schinnerl 14/11/23 – 30/6/24	Full Board – 2 of 4	\$3,000 per annum	N/A	Nil
Director	Steve Koch 1/7/23 – 30/6/24	Full Board – 7 of 9 Committees: • Audit & Risk – 3 of 4	not remunerated as he is a government employee	NA	NA
Director	Bernadette Zerba 1/7/23 – 30/6/24	Full Board – 8 of 9 Committees: • Audit & Risk – 4 of 5	not remunerated as she is a government employee	NA	NA
No. scheduled meetings/sessions	MSC scheduled 9 Full Board Meetings of Directors, 1 Remuneration Committee meeting and 5 Audit & Risk meetings.				
Total out of pocket expenses	\$Nil				

## Appendix 3 – Glossary

Acronym	Title
ARC	Audit and Risk Committee
BoM	Board of Management
BCITF	Building and Construction Industry Training Fund
DESBT	Department of Employment, Small Business and Training
DRFA	Disaster Recovery Funding Arrangement
ELT	Executive Leadership Team
GISP	Gateway to Industry Schools Program
GST	Goods and service tax
HR	Human Resources
HRA	<i>Human Rights Act 2019</i>
ICT	Information Communication Technology
IDAHOBIT	International Day Against Homophobia, Biphobia and Transphobia
JQ	Jobs Queensland
LGA	Local government area
LGAQ	Local Government Association of Queensland
MoG	Machinery of Government
MSQ	Manufacturing Skills Queensland
NSA	National Skills Agreement
QIBN	Queensland Indigenous Business Network
QSBM	Queensland Small Business Month
QSBC	Queensland Small Business Commissioner
QSBAC	Queensland Small Business Advisory Council
QWS	Queensland Workforce Strategy 2022–2032
RTO	Registered training organisations
SATs	School based Apprenticeships and Traineeships
SBSN	Small Business Support Network
SEJF	Social Enterprise Jobs Fund
SETP	Southbank Education Training Precinct Public Private Partnerships
SQW	Skilling Queenslanders for Work
TAFE	Technical and further education
VET	Vocational Education and Training
VPG	Vocational Partnerships Group
YJ	Youth Justice

## **Appendix 4 – Government bodies (statutory bodies and entities)<sup>1</sup>**

- Aviation Australia Pty Ltd (subsidiary of TAFE Queensland)
- Building and Construction Industry Training Fund Ltd
- Jobs Queensland
- Manufacturing Skills Queensland
- Queensland Small Business Advisory Council
- Queensland Small Business Commissioner
- Queensland Training Ombudsman
- TAFE Queensland

1. *Statutory bodies/statutory appointments prepare their own annual reports as required.*

## Appendix 5 – Compliance Checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> <li>A letter of compliance from the accountable officer or statutory body to the relevant Minister/s</li> </ul>	ARRs – section 7	4
Accessibility	<ul style="list-style-type: none"> <li>Table of contents</li> <li>Glossary</li> </ul>	ARRs – section 9.1	3 50
	<ul style="list-style-type: none"> <li>Public availability</li> </ul>	ARRs – section 9.2	2
	<ul style="list-style-type: none"> <li>Interpreter service statement</li> </ul>	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	2
	<ul style="list-style-type: none"> <li>Copyright notice</li> </ul>	<i>Copyright Act 1968</i> ARRs – section 9.4	2
	<ul style="list-style-type: none"> <li>Information Licensing</li> </ul>	<i>QGEA – Information Licensing</i> ARRs – section 9.5	2
General information	<ul style="list-style-type: none"> <li>Introductory Information</li> </ul>	ARRs – section 10	7-11
Non-financial performance	<ul style="list-style-type: none"> <li>Government's objectives for the community and whole-of-government plans/specific initiatives</li> </ul>	ARRs – section 11.1	7-8, 39
	<ul style="list-style-type: none"> <li>Agency objectives and performance indicators</li> </ul>	ARRs – section 11.2	7-8, 15-24
	<ul style="list-style-type: none"> <li>Agency service areas and service standards</li> </ul>	ARRs – section 11.3	41-44
Financial performance	<ul style="list-style-type: none"> <li>Summary of financial performance</li> </ul>	ARRs – section 12.1	12-14
Governance – management and structure	<ul style="list-style-type: none"> <li>Organisational structure</li> </ul>	ARRs – section 13.1	11
	<ul style="list-style-type: none"> <li>Executive management</li> </ul>	ARRs – section 13.2	32-34
	<ul style="list-style-type: none"> <li>Government bodies (statutory bodies and other entities)</li> </ul>	ARRs – section 13.3	51
	<ul style="list-style-type: none"> <li>Public Sector Ethics</li> </ul>	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	25
	<ul style="list-style-type: none"> <li>Human Rights</li> </ul>	<i>Human Rights Act 2019</i> ARRs – section 13.5	37
	<ul style="list-style-type: none"> <li>Queensland public service values</li> </ul>	ARRs – section 13.6	7
Governance – risk management and accountability	<ul style="list-style-type: none"> <li>Risk management</li> </ul>	ARRs – section 14.1	35-36
	<ul style="list-style-type: none"> <li>Audit committee</li> </ul>	ARRs – section 14.2	35-36
	<ul style="list-style-type: none"> <li>Internal audit</li> </ul>	ARRs – section 14.3	36
	<ul style="list-style-type: none"> <li>External scrutiny</li> </ul>	ARRs – section 14.4	36
Summary of requirement		Basis for requirement	Annual report reference
	<ul style="list-style-type: none"> <li>Information systems and recordkeeping</li> </ul>	ARRs – section 14.5	37-38

	<ul style="list-style-type: none"> <li>• <b>Information Security attestation</b></li> </ul>	ARRs – section 14.6	37
<b>Governance – human resources</b>	<ul style="list-style-type: none"> <li>• <b>Strategic workforce planning and performance</b></li> </ul>	ARRs – section 15.1	27-29
	<ul style="list-style-type: none"> <li>• <b>Early retirement, redundancy and retrenchment</b></li> </ul>	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	29
<b>Open Data</b>	<ul style="list-style-type: none"> <li>• <b>Statement advising publication of information</b></li> </ul>	ARRs – section 16	2
	<ul style="list-style-type: none"> <li>• <b>Consultancies</b></li> </ul>	ARRs – section 31.1	<a href="https://data.qld.gov.au">https://data.qld.gov.au</a>
	<ul style="list-style-type: none"> <li>• <b>Overseas travel</b></li> </ul>	ARRs – section 31.2	<a href="https://data.qld.gov.au">https://data.qld.gov.au</a>
	<ul style="list-style-type: none"> <li>• <b>Queensland Language Services Policy</b></li> </ul>	ARRs – section 31.3	<a href="https://data.qld.gov.au">https://data.qld.gov.au</a>
<b>Financial statements</b>	<ul style="list-style-type: none"> <li>• <b>Certification of financial statements</b></li> </ul>	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	See audited financial statements from p. 54
	<ul style="list-style-type: none"> <li>• <b>Independent Auditor’s Report</b></li> </ul>	FAA – section 62 FPMS – section 46 ARRs – section 17.2	See audited financial statements from p. 54

# Financial Statements

Department of Employment, Small Business and Training Financial Statements  
For the Year Ended 30 June 2024

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Department of Employment, Small Business and Training  
Statement of Comprehensive Income  
for the year ended 30 June 2024

OPERATING RESULT	Notes	2024 Actual \$'000	2024 Adjusted Budget \$'000	Budget Variance *	2023 Actual \$'000
<b>Income from continuing operations</b>					
Appropriation revenue	2	1 637 976	1 499 979	137 997	1 325 370
User charges and fees		5 388	2 400	2 988	2 703
Grants and contributions		6 687	6 264	423	11 267
Other revenue	3	26 355	17 959	8 396	25 877
Revaluation increment	10	25 910	-	25 910	45 256
<b>Total income from continuing operations</b>		<b>1 702 316</b>	<b>1 526 602</b>	<b>175 714</b>	<b>1 410 473</b>
<b>Expenses from continuing operations</b>					
Employee expenses	4	203 685	196 882	6 803	96 939
Supplies and services	6	176 489	161 299	15 190	116 209
Grants and subsidies	7	1 153 070	1 068 463	84 607	1 058 519
Depreciation and amortisation		120 483	72 847	47 636	69 155
Impairment losses	9	545	-	545	1 391
Finance/borrowing costs		20 782	20 779	3	21 282
Other expenses	8	7 909	6 332	1 577	3 626
<b>Total expenses from continuing operations</b>		<b>1 682 963</b>	<b>1 526 602</b>	<b>156 361</b>	<b>1 367 121</b>
<b>Operating result from continuing operations</b>		<b>19 353</b>	<b>-</b>	<b>19 353</b>	<b>43 352</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
<b>Items that will not be reclassified to operating result:</b>					
Increase/(decrease) in asset revaluation surplus	10	381 813	-	381 813	732 979
<b>Total items that will not be reclassified to operating result</b>		<b>381 813</b>	<b>-</b>	<b>381 813</b>	<b>732 979</b>
<b>TOTAL OTHER COMPREHESIVE INCOME</b>		<b>381 813</b>	<b>-</b>	<b>381 813</b>	<b>732 979</b>
<b>TOTAL COMPRHENSIVE INCOME</b>		<b>401 166</b>	<b>-</b>	<b>401 166</b>	<b>776 331</b>

\*An explanation of major variances is included at Note 20.

*The accompanying notes form part of these financial statements.*



Department of Employment, Small Business and Training – Statement of Comprehensive Income by Major Departmental Service  
for the year ended 30 June 2024

	Training and Skills		Small Business		Employment		Youth Justice		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Income from continuing operations</b>										
Appropriation revenue	1 406 464	1 221 742	23 061	33 302	30 859	33 193	177 592	37 133	1 637 976	1 325 370
User charges and fees	3 127	2 574	26	34	-	-	2 235	95	5 388	2 703
Grants and contributions	2 853	1 303	3 455	9 918	6	11	373	35	6 687	11 267
Other revenue	24 476	25 650	1 051	86	416	95	412	46	26 355	25 877
Revaluation increment	25 910	45 256	-	-	-	-	-	-	25 910	45 256
<b>Total income from continuing operations</b>	<b>1 462 830</b>	<b>1 296 525</b>	<b>27 593</b>	<b>43 340</b>	<b>31 281</b>	<b>33 299</b>	<b>180 612</b>	<b>37 309</b>	<b>1 702 316</b>	<b>1 410 473</b>
<b>Expenses from continuing operations</b>										
Employee expenses	70 378	60 455	10 736	10 636	6 244	5 214	116 327	20 634	203 685	96 939
Supplies and services	115 898	92 574	5 049	7 997	1 995	2 431	53 547	13 207	176 489	116 209
Grants and subsidies	1 117 886	1 007 954	11 793	24 661	23 031	25 590	360	314	1 153 070	1 058 519
Depreciation and amortisation	113 940	68 041	-	-	-	-	6 543	1 114	120 483	69 155
Impairment losses	531	1 325	9	10	-	56	5	-	545	1 391
Finance/borrowing costs	20 782	21 282	-	-	-	-	-	-	20 782	21 282
Other expenses	4 062	3 058	6	36	11	8	3 830	524	7 909	3 626
<b>Total expenses from continuing operations</b>	<b>1 443 477</b>	<b>1 254 689</b>	<b>27 593</b>	<b>43 340</b>	<b>31 281</b>	<b>33 299</b>	<b>180 612</b>	<b>35 793</b>	<b>1 682 963</b>	<b>1 367 121</b>
<b>Operating result from continuing operations</b>	<b>19 353</b>	<b>41 836</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 516</b>	<b>19 353</b>	<b>43 352</b>
Operating result from discontinued operations										
<b>Operating result for the year</b>	<b>19 353</b>	<b>41 836</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 516</b>	<b>19 353</b>	<b>43 352</b>
<b>Other comprehensive income</b>										
<u>Items that will not be reclassified to operating results</u>										
Increase/(decrease) in asset revaluation surplus	381 813	732 979	-	-	-	-	-	-	381 813	732 979
<b>Total items that will not be reclassified subsequent to operating results</b>	<b>381 813</b>	<b>732 979</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>381 183</b>	<b>732 979</b>
<b>Total comprehensive income</b>	<b>401 166</b>	<b>774 815</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 516</b>	<b>401 166</b>	<b>776 331</b>

Machinery-of-Government changes impact the departmental operations during financial years 2023-24 and 2022-23.

The Youth Justice activity was transferred into the department at 1 June 2023 during the financial year 2022-23, and transferred out of the department at 1 January 2024, during financial year 2023-24. Effectively 1 month of Youth Justice Services is included in 2022-23 and 6 months in 2023-24.

Department of Employment, Small Business and Training  
Statement of Financial Position  
as at 30 June 2024

		2024	2024		2023
	Notes	Actual \$'000	Adjusted Budget \$'000	Budget Variance*	Actual \$'000
<b>Current assets</b>					
Cash		336 953	196 653	140 300	262 943
Receivables	9	31 742	10 163	21 579	73 643
Inventories		-	-	-	979
Prepayments		1 798	1 520	278	1 429
		<b>370 493</b>	<b>208 336</b>	<b>162 157</b>	<b>338 994</b>
Non-current assets classified as held for sale		-	-	-	21 500
<b>Total current assets</b>		<b>370 493</b>	<b>208 336</b>	<b>162 157</b>	<b>360 494</b>
<b>Non-current assets</b>					
Property, plant and equipment	10	2 748 642	1 698 504	1 050 138	2 948 046
Intangible assets		128	132	(4)	291
Right-of-use assets		72	-	72	95
<b>Total non-current assets</b>		<b>2 748 842</b>	<b>1 698 636</b>	<b>1 050 206</b>	<b>2 948 432</b>
<b>Total assets</b>		<b>3 119 335</b>	<b>1 906 972</b>	<b>1 212 363</b>	<b>3 308 926</b>
<b>Current liabilities</b>					
Payables	11	231 470	119 893	111 577	184 891
Borrowings	12	5 543	5 519	24	4 987
Accrued employee benefits		2 731	2 102	629	8 230
Provisions	13	80 729	70 198	10 531	73 142
Unearned revenue		14 618	1 223	13 395	950
<b>Total current liabilities</b>		<b>335 091</b>	<b>198 935</b>	<b>136 156</b>	<b>272 200</b>
<b>Non-current liabilities</b>					
Borrowings	12	187 083	187 036	47	192 627
<b>Total non-current liabilities</b>		<b>187 083</b>	<b>187 036</b>	<b>47</b>	<b>192 627</b>
<b>Total liabilities</b>		<b>522 174</b>	<b>385 971</b>	<b>136 203</b>	<b>464 827</b>
<b>Net assets</b>		<b>2 597 161</b>	<b>1 521 001</b>	<b>1 076 160</b>	<b>2 844 099</b>
<b>Equity</b>					
Contributed equity		1 110 478			1 758 582
Accumulated surplus		(12 346)			(31 699)
Asset revaluation surplus	10	1 499 029			1 117 216
<b>Total equity</b>		<b>2 597 161</b>			<b>2 844 099</b>

\*An explanation of major variances is included at Note 20.

The accompanying notes form part of these financial statements.

Department of Employment, Small Business and Training – Statement of Assets and Liabilities by Major Departmental Service  
as at 30 June 2024

	Training and Skills		Small Business		Employment		Youth Justice		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Current assets</b>										
Cash	330 601	279 836	2 268	-	4 084	2 460	-	(19 353)	336 953	262 943
Receivables	30 578	27 074	757	3 000	407	799	-	42 770	31 742	73 643
Inventories	-	-	-	-	-	-	-	979	-	979
Prepayments	1 767	1 394	10	8	21	9	-	18	1 798	1 429
	<b>362 946</b>	<b>308 804</b>	<b>3 035</b>	<b>3 008</b>	<b>4 512</b>	<b>3 268</b>	<b>-</b>	<b>24 414</b>	<b>370 493</b>	<b>338 994</b>
Non-current assts classified as held for sale	-	-	-	-	-	-	-	21 500	-	21 500
<b>Total current assets</b>	<b>362 946</b>	<b>308 304</b>	<b>3 035</b>	<b>3008</b>	<b>4 512</b>	<b>3 268</b>	<b>-</b>	<b>45 914</b>	<b>370 493</b>	<b>360 494</b>
<b>Non current assets</b>										
Property, plant and equipment	2 748 594	2 411 894	15	5	33	-	-	536 147	2 748 642	2 948 046
Intangible assets	128	291	-	-	-	-	-	-	128	291
Right-of-use asset	72	95	-	-	-	-	-	-	72	95
<b>Total non-current assets</b>	<b>2 748 794</b>	<b>2 412 280</b>	<b>15</b>	<b>5</b>	<b>33</b>	<b>-</b>	<b>-</b>	<b>536 147</b>	<b>2 748 842</b>	<b>2 948 432</b>
<b>Total assets</b>	<b>3 111 740</b>	<b>2 720 584</b>	<b>3 050</b>	<b>3 013</b>	<b>4 545</b>	<b>3 268</b>	<b>-</b>	<b>582 061</b>	<b>3 119 335</b>	<b>3 308 926</b>
<b>Current liabilities</b>										
Payables	224 463	175 994	2 699	2 622	4 308	3 095	-	3 180	231 470	184 891
Borrowings	5 543	4 987	-	-	-	-	-	-	5 543	4 987
Accrued employee benefits	2 143	1 841	351	303	237	173	-	5 913	2 731	8 230
Provisions	80 729	73 142	-	-	-	-	-	-	80 729	73 142
Unearned revenue	14 618	862	-	88	-	-	-	-	14 618	950
<b>Total current liabilities</b>	<b>327 496</b>	<b>256 826</b>	<b>3 050</b>	<b>3 013</b>	<b>4 545</b>	<b>3 268</b>	<b>-</b>	<b>9 093</b>	<b>335 091</b>	<b>272 200</b>
<b>Non current liabilities</b>										
Borrowings	187 083	192 627	-	-	-	-	-	-	187 083	192 627
<b>Total non current liabilities</b>	<b>187 083</b>	<b>192 627</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>187 083</b>	<b>192 627</b>
<b>Total liabilities</b>	<b>514 579</b>	<b>449 453</b>	<b>3 050</b>	<b>3 013</b>	<b>4 545</b>	<b>3 268</b>	<b>-</b>	<b>9 093</b>	<b>522 174</b>	<b>464 827</b>

Machinery-of-Government changes impact the departmental operations during financial years 2023-24 and 2022-23. The Youth Justice activity was transferred into the department at 1 June 2023 during the financial year 2022-23, and transferred out of the department at 1 January 2024, during financial year 2023-24.

Cash has been allocated to Small Business and Employment to align with Total Liabilities and with the balance of the department's Cash attributed to the Training and Skill service.

Cash for Youth Justice activities for financial year 2022-23 was impacted due to system arrangements with the machinery-of-Government changes.

The department has systems in place to allocate assets and liabilities by departmental services.

Department of Employment, Small Business and Training  
Statement of Changes in Equity  
for the year ended 30 June 2024

	Notes	2024 \$'000	2023 \$'000
<b>Contributed equity</b>			
Opening balance		1 758 582	1 204 016
Transactions with owners as owners			
Appropriated equity injections	2	39 840	48 385
Appropriated equity withdrawals	2	(115 501)	(60 244)
Net transfers in from other Queensland Government entity	19	-	566 425
Net transfers out from other Queensland Government entity	19	(572 443)	-
<b>Closing Balance</b>		<b>1 110 478</b>	<b>1 758 582</b>
<b>Accumulated surplus/ (deficit)</b>			
Opening balance		(31 699)	(75 054)
Operating result from continuing operations		19 353	43 352
<b>Closing Balance</b>		<b>(12 346)</b>	<b>(31 699)</b>
<b>Asset revaluation surplus</b>			
Opening balance		1 117 216	384 237
Increase in asset revaluation surplus			
Land	10	23 200	-
Buildings	10	358 613	732 979
<b>Closing balance</b>		<b>1 499 029</b>	<b>1 117 216</b>
<b>Total Equity</b>		<b>2 597 161</b>	<b>2 844 096</b>

The accompanying notes form part of these financial statements.

**Accounting policy**

Interpretation 1038 *Contributions by Owners Made to Wholly Owned Public Sector Entities* specifies the principles for recognising contributed equity by the department. Appropriations for equity adjustments is recognised as contributed equity by the department during the reporting and comparative year.

The asset revaluation surplus represents the net effect of upwards and downwards revaluations of assets to fair value.

Department of Employment, Small Business and Training  
Statement of Cash Flows  
for the year ended 30 June 2024

	Notes	2024 Actual \$'000	2024 Adjusted Budget \$'000	Budget Variance* \$'000	2023 Actual \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
<i>Inflows:</i>					
Service appropriation receipts		1 712 593	1 547 853	164 740	1 314 334
User charges, fees and other revenue		4 738	740	3 998	1 149
Grants and contributions		9 639	6 264	3 375	11 989
GST input tax credits from ATO		35 388	-	35 388	33 040
GST collected from customers		5 871	-	5 871	4 854
Other		26 340	24 235	2 105	16 337
<i>Outflows:</i>					
Employee expenses		(213 658)	(207 236)	(6 422)	(93 881)
Supplies and services		(165 003)	(169 692)	4 689	(154 739)
Grants and subsidies		(1 124 555)	(1 068 463)	(56 092)	(1 052 455)
Finance/borrowing costs		(20 782)	(20 779)	(3)	(21 282)
GST paid to suppliers		(36 687)	-	(36 687)	(30 907)
GST remitted to ATO		(5 965)	-	(5 965)	(5 573)
Other		(9 238)	(12 634)	3 396	(1 974)
<b>Net cash provided by operating activities</b>		<b>218 681</b>	<b>100 288</b>	<b>118 393</b>	<b>20 892</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
<i>Inflows:</i>					
Sales of property, plant and equipment		5 109	-	(5 109)	17
<i>Outflows:</i>					
Payments for property, plant and equipment		(52 990)	(89 012)	36 022	(9 380)
<b>Net cash used in investing activities</b>		<b>(47 881)</b>	<b>(89 012)</b>	<b>41 131</b>	<b>(9 363)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
<i>Inflows:</i>					
Equity injections		39 840	95 487	(55 647)	43 360
<i>Outflows:</i>					
Equity withdrawals		(115 501)	(66 304)	(49 197)	(60 244)
Borrowings redemptions		(4 964)	(4 964)	-	(4 465)
Lease payments		(23)	-	(23)	(22)
<b>Net cash (used in)/provided by financing activities</b>		<b>(80 648)</b>	<b>24 219</b>	<b>(104 867)</b>	<b>(21 371)</b>
<b>Net increase/(decrease) in cash</b>		<b>90 152</b>	<b>35 495</b>	<b>54 657</b>	<b>(9 842)</b>
Cash transfers from MOG restructure	19	(16 142)	(35 945)	19 353	8 408
<b>Cash - opening balance</b>		<b>262 943</b>	<b>196 653</b>	<b>66 290</b>	<b>264 377</b>
<b>Cash - closing balance</b>		<b>336 953</b>	<b>196 653</b>	<b>140 300</b>	<b>262 943</b>

\*An explanation of major variances is included at Note 20.

The accompanying notes form part of these financial statements.

**Accounting policy and disclosure – Cash**

For the purposes of the statement of financial position and the statement of cash flows, cash assets include all cash and cheques received but not banked at 30 June.

On 11 May 2018, an overdraft facility was approved by Queensland Treasury for the department's main bank account. This facility is limited to \$40 million and remains in effect permanently. This facility remained fully undrawn at 30 June 2024 and is available for use in the next reporting period. The current overdraft interest rate is 7.85 percent (2023: 7.6%).

Department of Employment, Small Business and Training  
Statement of Cash Flows  
for the year ended 30 June 2024

**NOTES TO THE STATEMENT OF CASH FLOW**

**Reconciliation of operating result to net cash provided by operating activities**

	2024	2023
	\$'000	\$'000
Operating surplus/(deficit)	19 352	43 352
Non-cash items included in operating result:		
Depreciation and amortisation expense	120 485	69 156
Revaluation (increment)/ decrement	(25 910)	(45 256)
Net Losses on disposal of property, plant and equipment	2 057	1 128
Impairment losses	546	1 391
<i>Change in assets/liabilities:</i>		
(Decrease)/increase in deferred appropriation payable to Consolidation Fund	27 270	39 320
(Increase)/decrease in GST input tax credits receivable	(1 393)	1 413
(Increase)/decrease in net operating receivables	32 924	(61 757)
(Increase)/decrease in inventories	(35)	(21)
(Increase)/decrease in other current assets	(11 714)	2 392
Increase/(decrease) in other current liabilities	21 233	2 767
Increase/(decrease) in payables	32 854	(35 077)
Increase/(decrease) in accrued employee benefits	1 012	2 084
<b>Net cash provided by operating activities</b>	<b>218 681</b>	<b>20 892</b>

**Change in Liabilities Arising from Financing Activities**

<b>Finance liability</b>		
Opening balance	197 518	201 983
<i>Cash Flows:</i>		
Cash Repayment	(4 964)	(4 465)
<b>Closing balance</b>	<b>192 554</b>	<b>197 518</b>
<b>Lease liability</b>		
Opening balance	95	
<i>Non-Cash Changes</i>		
New Leases Acquired	-	116
<i>Cash Flows:</i>		
Cash Repayment	(23)	(21)
<b>Closing balance</b>	<b>72</b>	<b>95</b>

Department of Employment, Small Business and Training  
Notes to the Financial Statements  
for the year ended 30 June 2024

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## 1 BASIS OF FINANCIAL STATEMENT PREPARATION

### THE REPORTING ENTITY

The Department of Employment, Small Business and Training (“the department”) is a Queensland Government department established under the *Public Sector Act 2022* and controlled by the State of Queensland, which is the ultimate parent.

The head office and principal place of business of the department is 1 William Street, Brisbane QLD 4000.

The Department of Employment, Small Business and Training works with employers, small businesses, and individuals to support their career and business aspirations, delivering programs and developing policy to support employment growth and match skills and training opportunities with industry workforce needs both now and into the future. Through this focus, the department is supporting the vision of skilled Queenslanders and vibrant small businesses growing Queensland’s economy.

The department’s purpose is to support Queensland’s future workforce by connecting Queenslanders to learning opportunities through quality training and employment opportunities, and by helping small businesses to start, grow and thrive.

Contribution to the Government’s objectives for the community

- supporting jobs;
- making it for Queensland;
- growing our regions;
- backing small businesses;
- investing in skills;
- building Queensland; and
- backing our frontline services.

The department is funded for the departmental services it delivers principally by parliamentary appropriations.

The financial statements include the value of all income, expenses, assets, liabilities, and equity of the department. The department has elected not to consolidate its investment in the controlled entity, Building Construction Industry Training Fund (Qld) Ltd as the transactions and balances are immaterial to the department (refer to Note 17).

### DEPARTMENTAL SERVICES AND PRINCIPAL ACTIVITIES

Employment - preparing Queensland’s workforce for the demands of current and future industries by increasing employment opportunities for Queenslanders in particular disadvantaged cohorts and unemployed jobseekers.

Small Business - helping small businesses to start, grow and employ by ensuring small businesses can seamlessly interact with government and are supported.

Training and Skills - connecting people to quality training and skills by regulating Queensland apprenticeships and traineeships and facilitating access and participation in vocational education and training pathways, enabling Queenslanders to gain employment in current and future industries.

Youth Justice – to keep the community safe by working together to prevent offending and reduce reoffending by children and young people, and by enabling young people to connect to community. This service area was transferred out of the department effective 1 January 2024 (refer to Note 19).

### COMPLIANCE WITH PRESCRIBED REQUIREMENTS

The department has prepared these financial statements in compliance with section 38 of the *Financial and Performance Management Standard 2019*. These financial statements comply with Queensland Treasury’s Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2023.

The department is a not-for-profit entity and these general purpose financial statements are prepared on an accrual basis (except for the Statement of Cash Flows which is prepared on a cash basis) in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities.

### AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements are authorised for issue by the Director-General and Chief Finance Officer at the date of signing the Management Certificate.

### PRESENTATION

#### Currency and rounding

Amounts included in the financial statements are in Australian dollars and rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required. Due to rounding, totals may not add exactly.

#### Comparatives

Comparative information reflects the audited 2022-23 financial statements.

#### Current/non-current classification

Assets and liabilities are classified as either ‘current’ or ‘non-current’ in the statement of financial position and associated notes.

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 department does not have an unconditional right to defer settlement to beyond 12 months after the reporting date.

All other assets and liabilities are classified as non-current.

Department of Employment, Small Business and Training  
Notes to the Financial Statements  
for the year ended 30 June 2024

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## 1 BASIS OF FINANCIAL STATEMENT PREPARATION (continued)

### BASIS OF MEASUREMENT

Historical cost is used as the measurement basis in this financial report except for land and buildings assets which are measured at fair value; and provisions expected to be settled 12 or more months after reporting date which are measured at their present value.

Under historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Present value represents the present discounted value of the future net cash inflows that the item is expected to generate (in respect of assets) or the present discounted value of the future net cash outflows expected to settle (in respect of liabilities) in the normal course of business.

### RELATED PARTY TRANSACTIONS

#### Transactions with people/entities related to Key Management Personnel

The department has a Key Management Personnel member, on the Board of Directors, as a government representative, of Manufacturing Skills Queensland (MSQ) and Construction Skills Queensland (CSQ).

MSQ was established in November 2022 as an independent, purpose-led body to build a sustainably skills workforce for a future-proofed manufacturing industry in Queensland. The MSQ Board provides MSQ with strategic direction and advice and to ensure funding is creating the skills pathways for the future of manufacturing in Queensland. The Queensland Government has committed \$16.5 million to establish MSQ with \$6.35 million of the funding agreement provided to MSQ in 2023-24 (2022-23: \$3.5 million).

CSQ is an independent, not-for-profit, industry-funded body supporting employers, workers, apprentices, trainees and career seekers in the building and construction industry. \$3.27 million of grant funding was provided to CSQ in 2023-24 (2022-23: \$3.3 million). The CSQ Board provides CSQ with strategic direction and advice and ensures that levy funds are invested through equitable, transparent, and fiscally responsible governance and in line with the needs of industry.

There are no other related party transactions during 2023-2024 with people and entities related to KMP. Refer to Note 5 for policy and remuneration information of Key Management Personnel.

#### Transactions with other Queensland Government-controlled entities

The department's primary ongoing sources of funding from Government for its services are appropriation revenue and equity injections (Note 2), both of which are provided in cash via Queensland Treasury. The department has an overdraft facility approved by Queensland Treasury and the key terms and conditions of the facility are outlined in the Accounting policy and disclosure under the Statement of Cashflow.

Grants provided by the department to other State government entities was approximately 51.8 percent (2022-23: 50%), with the majority paid to TAFE Queensland being for the state contribution grant and delivery of VET programs.

#### Disclosure - Hire of facilities/ property income

The department provides TAFE Queensland access to training facilities. The income value of this right-of-use access has not been accounted for during 2023-24 as a reliable measurement of rent payable is unable to be determined. This is because the ongoing arrangement includes a number of sites, varying utilisation at each site, varying condition of the buildings and facilities, and the costs borne by TAFE Queensland in the management of the facilities. There is no performance obligation by the department other than the maintenance of the facilities.

### TAXATION

The department is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from all forms of Commonwealth taxation with the exception of Fringe Benefits Tax (FBT), and Goods and Services Tax (GST). FBT and GST are the only taxes accounted for by the department. GST credits receivable from, and GST payable to the Australian Taxation Office are recognised in Note 9.

### NEW AND REVISED ACCOUNTING STANDARDS

#### Accounting standards applied for the first time or early adopted

No new accounting standards or interpretations that apply to the department for the first time in 2023-24 had any material impact on the financial statements.

No Australian Accounting Standards have been early adopted for 2023-24.



Department of Employment, Small Business and Training  
Notes to the Financial Statements  
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**1 BASIS OF FINANCIAL STATEMENT PREPARATION (continued)**

**NEW AND REVISED ACCOUNTING STANDARDS continued**

**Future impact of accounting standards not yet effective**

At the date of authorisation of the financial report, the expected impacts of new or amended Australian Accounting Standards issued but with future effective dates are set out below:

AASB 2022-10 *Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities* makes amendments to AASB 13 *Fair Value Measurement* effective from 1 January 2024. The amendments provide new requirements or implementation guidance when:

- determining highest and best use for non-cash-generating non-financial assets
- developing unobservable inputs where this is little or no market activity for the asset
- measuring current replacement cost

The department undertakes a rolling revaluation program for non-current assets and aligns practices with Queensland Treasury policies on non-current asset policies which are generally aligned with the amendments provided in AASB 2022-10. However, the department will continue to review non-current assets to ensure compliance with amendments to AASB 13.

**CLIMATE RISK DISCLOSURE**

*Whole-of-Government climate-related reporting*

The State of Queensland, as the ultimate parent of the department, has published a wide range of information and resources on climate change risks, strategies and actions (<https://www.qld.gov.au/environment/climate/climate-change>).

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/programss-and-policies/queensland-sustainability-report>

*Departmental accounting estimates and judgements – climate-related risks*

The department considers climate-related risks when assessing material accounting judgements and estimates used in preparing the financial report. Key estimates and judgements identified include the potential for changes in asset useful lives, changes in the fair value of assets, impairment of assets, the recognition of provisions or the possibility of contingent liabilities.

No adjustments to the carrying value of assets were recognised during the financial year as a result of climate-related risks impacting current accounting estimates and judgements. No other transactions have been recognised during the financial year specially due to climate-related risks impacting the department.

The department continues to monitor the emergence of material climate-related risks that may impact the financial statements of the department, including those arising under the Queensland Government's *Queensland 2035 Clean Economy Pathway*, and other Queensland Government climate-related policies or directives.

**EVENTS AFTER THE BALANCE DATE**

No events after the balance date have occurred for the department.

Department of Employment, Small Business and Training  
Notes to the Financial Statements  
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## 2 APPROPRIATION

### Reconciliation of payments from Consolidated Fund to appropriated revenue recognised in operating result

	2024	2023
	\$'000	\$'000
<b>Original budgeted appropriation</b>	<b>1716 109</b>	1 277 405
Supplementary amounts:		
Transfers to other departments - Redistribution of public business	(168 256)	-
Transfers from other headings - Variation in headings	-	36 929
Unforeseen expenditure	164 740	-
<b>Total appropriation received (cash)</b>	<b>1 712 593</b>	1 314 334
Plus: Opening balance of deferred appropriation payable to Consolidated Fund	51 255	62 291
Less: Closing balance of deferred appropriation payable to Consolidated Fund	(125 872)	(51 255)
<b>Net Appropriation revenue</b>	<b>1 637 976</b>	1 325 370
<b>Appropriation revenue recognised in statement of comprehensive income</b>	<b>1 637 976</b>	1 325 370
Variance between original budgeted and actual appropriation revenue	(78 133)	47 965

### Reconciliation of payments from consolidated fund to equity adjustment

<b>Original budgeted equity adjustment appropriation</b>	<b>15 861</b>	26 210
Supplementary amounts:		
Transfers to other departments - Redistribution of public business	10 822	-
Transfers from other headings - Variation in headings	-	(36 929)
Lapsed equity Adjustment	(83 177)	(6 165)
<b>Equity adjustment receipts (payments)</b>	<b>(56 494)</b>	(16 884)
Less: Opening balance of equity adjustment payable	(5 025)	-
Plus: Closing balance of equity adjustments payable	-	5 025
Less: Closing balance of equity adjustments payable	(14 142)	-
<b>Equity adjustment recognised in contributed equity</b>	<b>(75 661)</b>	(11 859)
Variance between original budget and actual equity adjustment appropriation	91 522	38 069

### Accounting policy

Appropriations provided under the *Appropriation Act 2023* are recognised as revenue when received. Where the department has an obligation to return unspent (or unapplied) appropriation receipts to Consolidated Fund at year end (a deferred appropriation repayable to Consolidated Fund), a liability is recognised with a corresponding reduction to appropriation revenue, reflecting the net appropriation revenue position with Consolidated Fund for the reporting period. Capital appropriations are recognised as adjustments to equity.

### Disclosure – Deferred appropriation payable and equity adjustments payable

Closing balance of deferred appropriation and equity adjustment payables reflect a \$14.65 million category change from equity injections to appropriation revenue related to the capital works program (refer to Note 9).

## 3 OTHER REVENUE

Contributions to finance liability	18 546	17 722
Recoveries from grants programs	7 809	8 155
<b>Total</b>	<b>26 355</b>	25 877

### Accounting policy - Other revenue

Recoveries from grants programs have been reviewed during the financial year 2021-22 and are recognised at the time that appropriate evidence is available to request the return of funds. At this time an invoice is raised to recover all or part of the grant from the recipient.

### Disclosure - Contributions to finance liability

The department, due to contractual agreements for the right of use access to the Private Provision of Public Infrastructure (PPPI) asset at Southbank Education and Training Precinct (SETP), receives from TAFE Queensland contributions on a monthly basis. These contributions are towards the outflows associated with the precinct. Information regarding the amount of the contribution and conditions for variations are contained in schedules which form part of the agreement, refer to Note 18.

Department of Employment, Small Business and Training  
Notes to the Financial Statements  
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**4 EMPLOYEE EXPENSES**

	2024 \$'000	2023 \$'000
<b>Employee benefits</b>		
Wages and salaries	151 535	71 860
Annual leave/ levy expenses	16 984	8 375
Long service leave levy	4 021	1 900
Employer superannuation contributions	20 655	12 551
Termination benefits*	1 158	303
<b>Employee related expenses</b>		
Fringe benefits tax	280	194
Workers' compensation premium	7 390	1 031
Staff rental accommodation	133	16
Other employee related expenses	1 529	709
<b>Total</b>	<b>203 685</b>	<b>96 939</b>

\* Termination benefits relate to post-employment expenses, and there were no redundancy payments made during financial year 2023 24 or 2022 23.

	2024 No.	2023 No.
Number of full-time equivalent employees **	618	2 392

\*\* Full-Time equivalent employee data as at 30 June 2024 (based upon the fortnight ending 30 June 2024). Decrease in employee numbers are due to the transfer out of the department of Youth Justice activities at 1 January 2024, as part of machinery-of-Government changes.

**Accounting policy – Wages and salaries**

Wages and salaries due but unpaid at reporting date are recognised in the statement of financial position at the current salary rates. As the department expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted values.

**Accounting policy – Sick leave**

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue into future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

**Accounting policy – Annual leave and long service leave**

Under the Queensland Government's Annual Leave Central Scheme (ALCS) and Long Service Leave Central Scheme (LSLCS) a levy is made on the department to cover the cost of employees' annual leave (including leave loading and on-costs) and long service leave. The levies are expensed in the period in which they are payable. Amounts paid to employees for annual leave and long service leave are claimed back from the scheme quarterly in arrears.

**Accounting policy – Superannuation**

Post-employment benefits for superannuation are provided through defined contributions (accumulations) 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) as determined by the employee's conditions of employment.

Defined Contribution Plans – Contributions are made to eligible complying superannuation funds based on the rates specified in the relevant EBA or other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

Defined Benefit Plan – The liability for defined benefits 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*. The amount of contributions for defined benefit plan obligations is based upon the rates determined on the advice of the State Actuary. Contributions are paid by the department at the specified rate following completion of the employee's service each pay period. The department's obligations are limited to those contributions paid.

**Accounting policy – Workers' compensation premiums**

The department pays premiums to WorkCover Queensland in respect of its obligations for employee compensation. Workers' compensation insurance is a consequence of employing employees, but is not counted in an employees' total remuneration package. It is not an employee benefit and is recognised separately as employee related expenses.

Department of Employment, Small Business and Training  
Notes to the Financial Statements  
for the year ended 30 June 2024

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**5 KEY MANAGEMENT PERSONNEL AND REMUNERATION EXPENSES**

**Details of Key Management Personnel (KMP)**

The department's responsible Minister is identified as part of the department's KMP, consistent with additional guidance included in the revised version of AASB 124 *Related Party Disclosures*. The Minister is the Honourable Dianne Farmer MP, Minister for Employment and Small Business, Minister for Training and Skills Development and Minister for Youth Justice until 17 December 2023 and the Honourable Lance McCallum, Minister for Employment and Small Business and Minister for Training and Skills Development from 18 December 2023.

The following details for non-Ministerial KMP personnel includes those positions that had authority and responsibility for planning, directing and controlling the activities of the department during 2023-24 and 2022-23. Further information on these positions can be found in the body of the Annual Report under the section relating to Executive Management. Further information on these positions can be found in the Annual Report under the section titled Our Department.

**Remuneration policies**

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. The department does not bear any cost of remuneration of Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers are disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements, which are published as part of Queensland Treasury's Report on State Finances.

Remuneration policy for the department's other key management personnel is set by the Queensland Public Sector Commission as provided for under the *Public Sector Act 2022*. Individual remuneration and other terms of employment (including motor vehicle entitlements and performance payments if applicable) are specified in employment contracts.

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

Short term employee expenses which include:

- 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 (including any higher duties or allowances earned during that time); and
- non-monetary benefits – consisting of provision of vehicle and car parking together with fringe benefits tax applicable to the benefit.

Long term employee expenses include amounts expensed in respect of long service leave entitlements earned.

Post-employment expenses 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.

The following disclosures focus on the expenses incurred by the department attributable to non-Ministerial key management personnel during the respective reporting periods. The amounts disclosed are determined on the same basis as expenses recognised in the Statement of Comprehensive Income.

**Performance Payments**

Key Management Personnel do not receive performance or bonus payments.

**Remuneration expenses**

The following disclosures focus on the expenses incurred by the department attributable to non-Ministerial key management personnel during the respective reporting periods. The amounts disclosed are determined on the same basis as expenses recognised in the Statement of Comprehensive Income.

Department of Employment, Small Business and Training  
Notes to the Financial Statements  
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**5 KEY MANAGEMENT PERSONNEL AND REMUNERATION EXPENSES (continued)**

Remuneration expenses (continued)

1 July 2023 – 30 June 2024

Position (date resigned if applicable)	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses \$'000	Non-Monetary Benefits \$'000	\$'000	\$'000	\$'000	\$'000
Director-General <sup>1</sup> from 03/06/2024	45	-	1	4	-	50
Director-General <sup>2</sup> Acting from 18/12/2023 to 02/06/2024	192	1	4	22	-	219
Director-General <sup>3</sup> to 17/12/2023	221	1	5	26	-	253
Associate Director-General <sup>4</sup> to 17/12/2023	118	1	3	17	-	139
Deputy Director-General, Engagement	241	3	6	34	-	284
Deputy Director-General, Strategy from 04/12/2023	139	1	3	16	-	159
Deputy Director-General, Strategy to 03/12/2023	141	1	4	27	-	173
Deputy Director-General, Corporate Services	272	3	7	35	-	317
Senior Executive Director, Investment <sup>5</sup> from 18/12/2023 to 31/05/2024	157	2	3	16	-	178
Deputy Director-General, Youth Justice <sup>6</sup> from 17/11/2023 to 31/12/2023	34	-	1	6	-	41
Deputy Director-General, Youth Justice to 07/10/2023	70	1	2	9	-	82

- (1) Director-General was appointed and commenced on 3 June 2024  
(2) Due to the machinery-of-government announcements on 17 December 2023, the Associate Director-General acted in the role of Director-General until 2 June 2024  
(3) Due to the machinery-of-Government announcements on 17 December 2023, the Director-General moved to the Department of Youth Justice  
(4) The role of Associate Director-General role ceased on 17 December 2023  
(5) The Senior Executive-Director role was included in the Executive Leadership Team from the machinery-of-Government announcement on 17 December 2023  
(6) Deputy Director-General, Youth Justice position transferred to Department of Youth Justice due to machinery-of-Government announcements on 18 December 2023

1 July 2022– 30 June 2023

Position (date resigned if applicable)	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses \$'000	Non-Monetary Benefits \$'000	\$'000	\$'000	\$'000	\$'000
Director-General <sup>1</sup> from 18/05/2023	84	-	2	6	-	92
Director-General <sup>1</sup> to 17/05/2023	293	3	7	37	-	340
Associate Director-General <sup>2</sup> from 06/06/2023	25	-	-	1	-	26
Deputy Director-General, Engagement <sup>4</sup> from 13/02/2023	83	1	2	10	-	96
Deputy Director-General, Engagement <sup>4</sup> to 12/02/2023	141	2	4	16	-	163
Deputy Director-General, Investment <sup>3</sup> to 05/06/2023	227	2	6	25	-	260
Deputy Director-General, Strategy	228	3	6	26	-	263
Deputy Director-General, Corporate Services <sup>5</sup>	258	3	6	27	-	294
Deputy Director-General, Youth Justice <sup>6</sup> from 01/06/2023	22	-	1	2	-	25

- (1) Due to the machinery-of-Government announcements on 17 May 2023, new Director-General was appointed to role.  
(2) Associate Director-General position was created during 2022-2023.  
(3) Deputy Director-General, Investment was appointed to the role of Associate Director-General on 06 June 2023.  
(4) Deputy Director-General, Engagement was permanently appointed on 13 February 2023  
(5) Deputy Director-General, Policy and Performance was renamed to Deputy Director-General, Corporate Services  
(6) Deputy Director-General, Youth Justice position transferred in to machinery-of-Government announcements on 17 May 2023

Department of Employment, Small Business and Training  
Notes to the Financial Statements  
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**6 SUPPLIES AND SERVICES**

	2024 \$'000	2023 \$'000
Building maintenance	55 608	43 974
Materials and running costs	34 854	14 010
Consultants and contractors	29 231	25 391
Computer costs	14 122	8 402
Equipment and building refurbishment	13 401	8 728
Office accommodation	9 169	6 377
Utilities	7 135	4 184
Payments to shared service provider/inter-agency services	4 278	1 762
Youth Detention centres running costs	3 201	1 030
Travel	3 127	1 363
Motor vehicle - QFleet	1 679	629
Payments for outsourced services – Youth Justice	764	262
Lease expenses	280	97
<b>Total</b>	<b>176 489</b>	<b>116 209</b>

**Accounting policy – Distinction between grants and procurement**

For a transaction to be classified as supplies and services, the value of goods or services received by the department must be of approximately equal value to the value of the consideration exchanged for those goods or services. Where this is not the substance of the arrangement, the transaction is classified as a grant in Note 7.

**Office accommodation and employee housing**

Payments for non-specialised commercial office accommodation under the Queensland Government Accommodation Office (QGAO) framework and residential accommodation properties under the Government Employee Housing (GEH) program arise from non-lease arrangements with the Department of Housing, Local Government, Planning and Public Works, who has substantive substitution rights over the assets used within these schemes. Payments are expensed as incurred and categorised within Office accommodation in Note 6 and Staff rental accommodation in Note 4.

**Lease expenses**

Lease expenses include lease rentals for short-term leases, leases of low value assets and variable lease payments.

**7 GRANTS AND SUBSIDIES**

*Recurrent*

Training and skills programs	1 105 159	1 003 783
Small business programs	11 793	24 180
Employment programs	23 031	25 589
Youth Justice programs	360	314
Other grants and allowances to organisations	22	21

*Capital*

State Government

Training Centre Grants	12 705	4 632
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<b>Total</b>	<b>1 153 070</b>	<b>1 058 519</b>
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**Accounting policy – Grants and subsidies**

The department administers a number of programs where payments are made without expectation of an equal value in return. For the arrangement to be classified as grants or subsidies, consideration to the classification of the payment is based on the nature of the transaction and if there is any third-party recipient to the payment made. This distinguishes the arrangement from procurement transactions.

Grants and subsidies are recognised in accordance with relevant funding agreement between the department and the recipient and are non-reciprocal. Grants are treated as an expense when the department's obligation for a transfer arises.

Department of Employment, Small Business and Training  
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**8 OTHER EXPENSES**

	2024 \$'000	2023 \$'000
Insurance premium – Queensland Government Insurance Fund	5 036	2 011
Queensland Audit Office- external audit fees for the audit of the financial statements <sup>(1)</sup>	316	252
Loss on disposal of property plant and equipment	2 057	1 128
Special payments: <sup>(2)</sup>		
Ex-gratia payments	445	66
Other expenses	55	169
<b>Total</b>	<b>7 909</b>	<b>3 626</b>

**Audit fees**

- (1) Total audit fees quoted by the Queensland Audit Office relating to the 2023-24 financial statements are estimated to be \$0.280 million (2022-23: \$0.209 million).

**Special payments**

- (2) Special payments represent ex gratia expenditure and other expenditure that the department is not contractually or legally obligated to make to other parties. During 2023-24, special payments made in connection with WorkCover supplementary allowances arrangements for employment entitlements under the Youth Justice activity, including payments over \$5,000 made to 33 recipients (2022-23: 1 payment over \$5,000 in connection with WorkCover supplementary allowance arrangement for the Youth Justice activity).

**9 RECEIVABLES**

<b>Current</b>		
Trade debtors	21 667	10 301
Less: Loss allowance	(4 996)	(5 180)
	16 671	5 121
GST receivable	3 747	3 397
Long service leave reimbursements	471	891
Annual leave reimbursements	1 477	5 066
Sundry receivables	9 376	59 228
<b>Total</b>	<b>31 742</b>	<b>73 643</b>

**Accounting policy – Receivables**

Receivables are measured at amortised cost which approximates their fair value at reporting date.

Trade debtors are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase/contract price. Settlement on trade debtors is required within 30 days from invoice date.

Sundry receivables generally arise from transactions outside the usual operating activities of the department and are recognised at their assessed values. Terms are a maximum of three months, no interest is charged and no security is obtained.

**Disclosures – Sundry receivables**

Sundry receivables for financial year 2023-24 includes a \$14.65 million appropriation category change from appropriation equity injections to appropriation revenue for capital works expenditure identified as operational in nature. The increase in sundry receivables for financial year 2022-23 was due to appropriation receivable at 30 June of \$50.46 million (refer Note 2).

**Movement in loss allowance for trade debtors**

Loss allowances as at 1 July	5 180	3 595
Increase/(decrease) in allowance recognised in the operating result	341	1 610
Amounts written off during the year	(525)	(25)
<b>Loss allowance as at 30 June</b>	<b>4 996</b>	<b>5 180</b>

Each year all trade debtors are reviewed and where it has been determined that the long-term outstanding debt was unlikely to be collected by the department, it has been written off. As a result of the annual review the loss allowance has increased due to more individual debts being more probable to be written-off.

Loss allowance for the current year relating to the department's receivables is \$4.99 million.

Department of Employment, Small Business and Training  
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for the year ended 30 June 2024

**9 RECEIVABLES (continued)**

**IMPAIRMENT OF RECEIVABLES**

**Receivables credit risk – ageing analysis**

Past due and impaired	Overdue					Total
	1 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	More than 120 days	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2024</b>						
Trade debtors	212	157	24	8	5 037	5 438
<b>2023</b>						
Trade debtors	508	68	12	7	5 442	6 037

**Accounting policy – Impairment of receivables**

The loss allowance for trade and other debtors is recognised using the simplified approach to the lifetime expected credit losses. Under AASB9 *Financial Instruments* the department has assessed each debtor individually to calculate loss rates adjusted for forward-looking information.

The department's other receivables are from Queensland Government agencies or Australian Government agencies. No loss allowance is recorded for these receivables on the basis of low credit risk. Refer to Note 14 for the department's credit risk management policies.

Where the department has no reasonable expectation of recovering an amount owed by a debtor, the debt is written-off by directly reducing the receivable against the loss allowance. This occurs when the debt is over 120 days past due and the department has ceased enforcement activity. If the amount of debt written off exceeds the loss allowance, the excess is recognised as an impairment loss. The write-off of the debt does not release the customer from the debt and future action may be taken to recover the debt.

The amount of impairment losses recognised for receivables is \$5.809 million (2020-21: \$4.086 million).

**Disclosures – Credit risk exposure of receivables**

The maximum exposure to credit risk at balance date for receivables is the gross carrying amount of those assets. Collateral is held as security for a number of long-term leases of training assets, no other collateral is held as security and there are no other credit enhancements relating to the department's receivables.

The department has reviewed the provision matrix approach for measuring expected credit loss on trade debtors and determined that due to the small number of debtors that is more efficient to assess each debtor individually.

The calculations reflect an expected credit loss based on the outstanding amount, probability of default and percentage of loss given default.

**Disclosures - Credit risk management practices**

The department considers financial assets that are over 30 days past due to have significantly increased credit risk and measures the loss allowance of such assets at lifetime expected credit losses instead of 12 month expected credit losses. The exception is trade receivables, for which the loss allowance is always measured at lifetime expected credit losses. The department's write off policy is disclosed in above.

All financial assets with counterparties are considered to have low credit risk. This includes receivables from other Queensland Government agencies and Australian Government agencies. The department assumes that credit risk has not increased significantly for these low credit risk assets.

The department typically considers a financial asset to be in default when it becomes 120 days past due. However, a financial asset can be in default before that point if information indicates that the department is unlikely to receive the outstanding amount in full. The department's assessment of default does not take into account any collateral or other credit enhancements.



Department of Employment, Small Business and Training  
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**10 PROPERTY, PLANT, EQUIPMENT AND DEPRECIATION EXPENSE**

**CLOSING BALANCES AND RECONCILIATION OF CARRYING AMOUNT**

	Land	Buildings	Plant and Equipment	Work in Progress	Total
<b>Property, plant, and equipment</b>					
<b>30 June 2024</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Gross</b>	541 607	3 323 650	867	43 482	3 909 606
<b>Less: Accumulated depreciation</b>	-	(1 160 787)	(177)	-	(1 160 964)
<b>Carrying amount at 30 June 2024</b>	<b>541 607</b>	<b>2 162 863</b>	<b>690</b>	<b>43 482</b>	<b>2 748 642</b>

*Represented by movements in carrying amount:*

Carrying amount at 1 July 2023	528 959	2 346 602	5 190	67 295	2 948 046
Acquisitions (including upgrades)	-	-	615	52 375	52 990
Disposals	(6 177)	(1 493)	(41)	-	(7 711)
Transfer out to other Queensland Government entities	(30 285)	(490 034)	(4 511)	(7 275)	(532 105)
Transfers between classes	-	68 799	114	(68 913)	-
Revaluation increments in asset revaluation surplus	23 200	358 613	-	-	381 813
Revaluation increments in operating surplus/(deficit)	25 910	-	-	-	25 910
Depreciation expense	-	(119 624)	(677)	-	(120 301)
<b>Carrying amount at 30 June 2024</b>	<b>541 607</b>	<b>2 162 863</b>	<b>690</b>	<b>43 482</b>	<b>2 748 642</b>

	Land	Buildings	Plant and Equipment	Work in Progress	Total
<b>Property, plant, and equipment</b>					
<b>30 June 2023</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Gross</b>	528 959	3 550 014	24 795	67 295	4 171 063
<b>Less: Accumulated depreciation</b>	-	(1 203 412)	(19 605)	-	(1 223 017)
<b>Carrying amount at 30 June 2023</b>	<b>528 959</b>	<b>2 346 602</b>	<b>5 190</b>	<b>67 295</b>	<b>2 948 046</b>

*Represented by movements in carrying amount:*

Carrying amount at 1 July 2022	453 418	1 108 987	162	131 799	1 694 366
Acquisitions (including upgrades)	-	-	66	9 668	9 734
Transfer in from other Queensland Government entities	30 285	494 139	5 101	6 288	535 813
Disposals	-	(1 124)	(21)	-	(1 145)
Transfers between classes	-	80 415	45	(80 460)	-
Revaluation increments in asset revaluation surplus	-	732 979	-	-	732 979
Revaluation increments in operating surplus/(deficit)	45 256	-	-	-	45 256
Depreciation expense	-	(68 794)	(163)	-	(68 957)
<b>Carrying amount at 30 June 2023</b>	<b>528 959</b>	<b>2 346 602</b>	<b>5 190</b>	<b>67 295</b>	<b>2 948 046</b>

**RECOGNITION AND ACQUISITION**

**Accounting policy – Recognition**

*Basis of Capitalisation and Recognition Thresholds*

Items of property, plant and equipment with a historical cost or other value equal to or in excess of the following thresholds are recognised for financial reporting purposes in the year of acquisition:

Buildings (including land improvements)	\$10 000
Land	\$1
Other	\$ 5 000

Items with a lesser value are expensed in the year of acquisition.

Expenditure on property, plant and equipment is capitalised where it is probable that the expenditure will produce future service potential for the department. Subsequent expenditure is only added to an asset's carrying amount if it increases the service potential or useful life of that asset. Maintenance expenditure that merely restores original service potential (lost through ordinary wear and tear) is expensed.

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**10 PROPERTY, PLANT, EQUIPMENT AND DEPRECIATION EXPENSE (continued)**

**RECOGNITION AND ACQUISITION (continued)**

**Accounting policy – Recognition (continued)**

Componentisation of complex assets

The department's complex assets are special purpose TAFE buildings.

Complex assets comprise separately identifiable components (or groups of components) of significant value, that require replacement at regular intervals and at different times to other components comprising the complex asset.

On initial recognition, the asset recognition thresholds outlined above apply to the complex asset as a single item. Where the complex asset qualifies for recognition, components are then separately recorded when their value is significant relative to the total cost of the complex asset.

When a separately identifiable component (or group of components) of significant value is replaced, the existing component is derecognised. The replacement component is capitalised when it is probable that future economic benefits from the significant component will flow to the department in conjunction with the other components comprising the complex asset and the cost exceeds the asset recognition thresholds specified above. Replacement components that do not meet the asset recognition thresholds for capitalisation are expensed.

Components are separately recorded and valued on the same basis as the asset class to which they relate. The accounting policy for depreciation of complex assets, and estimated useful lives, is disclosed under Depreciation expenses.

**Accounting policy – Cost of acquisition**

Historical cost is used for the initial recording of all non-current physical asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use, including architects' fees and engineering design fees. However, any training costs are expensed as incurred.

Where assets are received free of charge from another Queensland Government department (whether as a result of a machinery-of-Government change or other involuntary transfer), the acquisition cost is recognised as the gross carrying amount in the books of the other entity immediately prior to the transfer together with any accumulated depreciation.

Assets acquired at no cost or for nominal consideration, other than from an involuntary transfer from another Queensland Government entity, are recognised as assets and revenues at their fair value at the date of acquisition.

**Accounting policy – Measurement using Historical Costs**

Plant and equipment is measured at historical cost in accordance with Queensland Treasury's Non-Current Asset Policies for the Queensland Public Sector. The carrying amounts for such plant and equipment are assessed as not materially different from their fair value.

**Accounting policy – Measurement using Fair Value**

Land and buildings (including land improvements such as sports facilities) are measured at fair value as required by Queensland Treasury's Non-Current Asset Policies for the Queensland Public Sector. These assets are reported at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and subsequent accumulation impairment losses where applicable.

The cost of items acquired during the financial year has been judged by management to materially represent their fair value at the end of the reporting period.

Fair value for land is determined by establishing its market value by reference to observable prices in an active market or recent market transactions. The fair value of buildings is determined by calculating the current replacement cost of the asset.

Use of specific appraisals

Land and buildings assets are revalued by management each year to ensure that they are reported at fair value. Management's valuations incorporate the results from the independent revaluation program, and the indexation of the assets not subject to independent revaluation each year.

Revaluations using independent professional valuers are undertaken at least once every five years. However, if a particular asset class experiences significant and volatile changes in fair value, that class is subject to specific appraisal in the reporting period, where practicable, regardless of the timing of the last specific appraisal.

For the 2023-24 financial year, the department engaged independent professional valuers, State Valuation Services (SVS) in valuing the land and engaged Gray Robinson & Cottrell Pty Ltd (GRC) to value buildings.

In 2023-24, increases have been experienced across the asset portfolio due to the wider array of asset elements and unit rates coupled with a rapidly changing economic climate.

The fair values reported by the department are based on appropriate valuation techniques that maximise the use of available and relevant observable inputs and minimise the use of unobservable inputs.

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**10 PROPERTY, PLANT, EQUIPMENT AND DEPRECIATION EXPENSE (continued)**

**RECOGNITION AND ACQUISITION (continued)**

**Accounting policy – Measurement using Fair Value (continued)**

Use of indices

Where assets have not been specifically appraised in the reporting period, their previous valuations are materially kept up-to-date via the application of relevant indices. The department ensures that the application of these indices results in a valid estimation of the asset's fair value at reporting date. In 2023-24 indices advice was sought from SVS and GRC to apply to the various types of assets.

These indices are derived from market information available with assurance received around their robustness, validity and appropriateness for application to the relevant assets. The results of interim indexations are compared to the results of the independent revaluation performed in the year to ensure the results are reasonable. This annual process allows management to assess and confirm the relevance and suitability of indices provided based on the department's own particular circumstances.

Fair Value Measure

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.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the department include, but are not limited to, published sales data for land and general office buildings.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant characteristics of the assets/liabilities being valued. Significant unobservable data takes account of the characteristics of the department assets/liabilities and includes internal records of recent construction costs (and/or estimates of such costs) for assets' characteristics/functionality, and assessments of physical condition and remaining useful life. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair Value Measurement Hierarchy

All assets and liabilities of the department for which fair value is measured or disclosed in the financial statements are categorised with the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

- level 1 – represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;
- level 2 – represents fair value measurements that are substantially derived from inputs (other than quoted prices included in level 1) that are observable, either directly or indirectly; and
- level 3 – represents fair value measurements that are substantially derived from unobservable inputs.

None of the department's valuations of assets or liabilities are eligible for categorisation into level 1 of the fair value hierarchy. There were no transfers of assets between fair value hierarchy levels during the period.

Accounting for changes in fair value

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation surplus of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to that asset class.

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life.

Land

The effective date of the last specific appraisal of the department's land was 30 June 2024, conducted by State Valuation Services and a market-based assessment approach was used.

In accordance with AASB 13 *Fair Value Measurement*, the department's land assets are categorised at level 2.

Determining the fair value of land involved physical inspection and reference to publicly available data on recent sales of similar land in nearby localities in accordance with Industry standards.

Approximately 62 percent of the department's land was independently valued. In determining the values, adjustments were made to the sales data to consider the location of the department's land, its size, street/road frontage and access, and any significant restrictions. The extent of the adjustments made varies in significance for each parcel of land. Overall, the adjustments averaged an increase of 6 percent to land values.

Department of Employment, Small Business and Training  
Notes to the Financial Statements  
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**10 PROPERTY, PLANT, EQUIPMENT AND DEPRECIATION EXPENSE (continued)**

**RECOGNITION AND ACQUISITION (continued)**

**Accounting policy – Measurement using Fair Value (continued)**

Land (continued)

The remaining land assets have been indexed to ensure that values reflect fair value as at reporting date. State Valuation Service provided indices for each of these sites based on recent market transactions for local land sales. An average indexation of 11 percent has been applied to land parcels.

Buildings

The fair value of building assets was based on all purpose-built facilities and are valued at current replacement cost, as there is no active market for these facilities. Current replacement cost is estimated based on data from construction guides including Rawlinson's Construction Guide, and sensitivity analysis was conducted (using GRC internal research data) prior to determining the reported current replacement cost value, to ensure that the values are reflective of the extent of works and are relative to other assets of a similar nature.

In accordance with AASB 13 *Fair Value Measurement*, the department's building assets are categorised at Level 3.

Approximately 60 percent of the department's buildings were independently valued by GRC with an effective date of 30 June 2024. The current replacement cost was based on standard training facilities and specialised fit-out constructed by the department, adjusted for more contemporary design/construction approaches. GRC conducted physical inspections and applied construction costs based on recent tenders for typical specialised buildings.

The increase in values is associated with a more robust cost modelling utilised by GRC in assessing and determining the building value. Increase in project on-costs, a wider array of asset elements, unit rates and the use of specific rates being applied against different types of building functions and usage contributed to the increase to the value of specialised buildings across the TAFE sites.

**Key judgement:** The valuers utilise professional judgement in the assessment of the remaining service potential of these facilities, including the current physical condition of each facility, componentising the assets into the significant parts that have different useful lives and estimating the remaining useful life of each asset. The comprehensive revaluation process utilises the key assumption that the present use continues to represent the highest and best use.

The remaining buildings were indexed using the Building Price Index (BPI) provided by GRC. The change in the BPI over the reporting period 1 July 2023 to 30 June 2024 was an increase of 6.57 percent. Management is of the opinion that the continuing investment in general and specific priority maintenance would prevent any abnormal deterioration in asset values in the period between independent valuations.

The indexation model is based on analysis of recent tenders for specialised buildings and capital projects with similar attributes, and accordingly is assessed specifically for the department's asset portfolio. GRC employs market driven indexation factors, such as Locality and Building Price Index, as mechanisms to ensure that estimates are reflective of the construction market at any point in time. GRC also observed behavioural shifts in the way projects are being delivered and subsequently costed, where contractors are increasing their tender sums to cover the higher risks facing them in the delivery of the project. These risks include extended contract duration, additional costs for procurement and organisational liquidity. The BPI is considered to be the most appropriate index for application to the relevant assets.

**DEPRECIATION EXPENSE**

**Accounting policy**

Land is not depreciated as it has an unlimited useful life.

In light of the nature and condition of sculptures, the valuers recommend these assets should not continue to be depreciated, hence the replacement cost equates to fair value and this class of assets is not depreciated going forward. Sculptures are recognised within buildings assets.

Property, plant and equipment are depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset, progressively over its estimated useful life to the department.

**Key judgement:** The estimated useful lives of the assets are reviewed annually and, where necessary, are adjusted to better reflect the pattern of consumption and future service potential of the asset. In reviewing the useful life of each asset, factors such as asset usage and the rate of technical and commercial obsolescence are considered.

Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the department.

Where assets have separately identifiable components that are subject to regular replacement, these are depreciated according to useful lives of each component.

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**10 PROPERTY, PLANT, EQUIPMENT AND DEPRECIATION (continued)**

**DEPRECIATION EXPENSE (CONTINUED)**

**Accounting policy (continued)**

Assets under construction (capital work-in-progress) are not depreciated until construction is complete and the asset is first put to use or is installed ready for use in accordance with its intended application. These assets are then reclassified to the relevant classes within property, plant and equipment.

For the department's depreciable assets, the estimated amount to be received on disposal at the end of their useful life (residual value) is determined to be zero.

**Depreciation rates**

**Key estimates:** For each class of depreciable asset the depreciation rates are based on the following useful lives:

Class	Current useful life (years)	Class	Current useful life (years)
Buildings – Complex		Buildings – Non-Complex	15 – 162
- Fabric	15 – 100		
- Fixture & Fittings	7 – 56	Plant and Equipment	4 – 10
- Plant	11 – 56		

**IMPAIRMENT**

**Accounting policy**

All non-current physical assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the department determines the asset's recoverable amount under AASB 136 *Impairment of Assets*.

The asset's recoverable amount is determined as the higher of the asset's fair value less costs to sell and the asset's value in use.

An impairment loss is recognised immediately in the Statement of Comprehensive Income.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income.

**11 PAYABLES**

	2024	2023
	\$'000	\$'000
<b>Current</b>		
Trade creditors	22 698	9 008
Capital creditors	12 560	19 044
Grants and subsidies payable	63 871	57 336
Deferred appropriation payable to Consolidated Fund	132 282	96 586
Fringe benefit tax and other taxes	59	45
Other creditors	-	2 872
<b>Total</b>	<b>231 470</b>	<b>184 891</b>

**Disclosures – Deferred appropriation payable to Consolidated Fund**

In 2022-23 deferred appropriation payable to Consolidated Fund includes offset by equity receivable (\$5.025 million) due to Youth Justice activities (refer Note 2).

**Accounting policy - Payables**

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the nominal amount i.e. agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured.

Department of Employment, Small Business and Training  
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**12 BORROWINGS**

	2024 \$'000	2023 \$'000
<b>Current:</b>		
Finance liability - SETP	5 519	4 964
Lease liability	24	23
<b>Total</b>	<b>5 423</b>	<b>4 987</b>
<b>Non-Current:</b>		
Finance liability - SETP	187 035	192 555
Lease liability	48	72
<b>Total</b>	<b>187 083</b>	<b>192 627</b>

**FINANCE LIABILITY**

*Finance terms and conditions*

The finance liability of the department relates to the PPPI Arrangement - SETP for a term of 34 years. The nature of the PPPI Arrangement has been reassessed under AASB 16 *Leases* and it has been concluded this arrangement is not a lease arrangement, but more in the nature of financing to construct and maintain the SETP. There have been no defaults or breaches of the liability agreement during the 2023-24 or 2022-23 financial years. Refer to Note 18 for details of the agreement.

*Interest rates*

Interest on finance liabilities are recognised as an expense as it accrues on the outstanding liability. No interest has been capitalised during the current or comparative reporting period.

The fixed implicit interest rate for the finance liability is 10.64 percent (2022-23: 10.64%).

*Security*

No security is held over the finance liability, however contractual agreement sets out risk and impacts to the department in event of default. Refer to Note 18 for details.

**Accounting policy – Finance liabilities**

Finance liabilities are initially recognised at fair value, plus any transaction costs directly attributable to the liability, then subsequently held at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of a financial liability to the amortised cost of the liability.

The fair value of finance liability is subsequently measured at amortised cost.

Any finance liability costs are added to the carrying amount of the finance liability to the extent they are not settled in the period in which they arise. Finance liabilities are split between current and non-current liabilities using the principles set out in the foreword and preparation information section of this financial report.

The department does not enter into transactions for speculative purposes, nor for hedging. No financial liabilities are measured at fair value through profit or loss.

**DISCLOSURE ABOUT SENSITIVITY TO INTEREST RATE MOVEMENTS**

Interest rate sensitivity analysis evaluates the outcome on profit or loss if interest rates would change by +/- 0.25 per cent from the year-end rates applicable to the department's financial assets and liabilities. With all other variables held constant, the department would have a surplus and equity increase/(decrease) of \$0.842 million (2022-23: \$0.657 million).

**FAIR VALUE DISCLOSURES FOR FINANCIAL LIABILITIES MEASURED AT AMORTISED COST**

Finance liabilities relate to the Southbank Education and Training Precinct (refer to Note 18) and the fair value of the liability is calculated using discounted cash flow analysis and the effective interest rate and is disclosed below:

	2024		2023	
	Carrying amount \$'000	Fair value \$'000	Carrying amount \$'000	Fair value \$'000
<b>Finance liabilities at amortised cost:</b>				
Finance liability	192 554	108 761	197 519	133 011
Lease liability	72	67	95	86
<b>Total</b>	<b>192 626</b>	<b>108 828</b>	<b>197 614</b>	<b>133 097</b>

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**13 PROVISIONS**

	2024	2023
	\$'000	\$'000
<b>Current:</b>		
Training Services	80 729	73 142
<b>Total</b>	<b>80 729</b>	<b>73 142</b>

**Accounting policy – Provisions**

Provisions are recorded when the department has a present obligation, either legal or constructive as a result of a past event. They are recognised at the amount expected at reporting date for which the obligation will be settled in a future period.

**Key estimates and judgements – Provisions**

The department enters into contractual arrangements with registered training organisations (RTOs) of Skills Assure Supplier status. This status allows access to subsidised funding for the delivery of training and assessment for eligible students under approved Vocational and Education and Training (VET) programs in Queensland. As part of the contractual arrangements, RTOs can claim a 50 percent payment when a student was engaged in some learning activities but was subsequently withdrawn from a competency. The department recognises a training services provision for these RTOs' claims.

The department uses the VET activity data submitted by RTOs and applies historical trends to determine the withdrawal rates and other non-payable outcomes. This withdrawal rate in 2023-24 ranged from 28.9 percent to 43.55 percent across the programs (2022-23: 30.49% to 40.16%). The increase of \$7.587 million in the current year was mainly due to increased student numbers and the value of the subsidies for the competencies enrolled.

**14 FINANCIAL RISK DISCLOSURES**

**FINANCIAL INSTRUMENT CATEGORIES**

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the department becomes party to the contractual provisions of the financial instrument. The department has the following categories of financial assets and financial liabilities:

		2024	2023
Category	Note	\$'000	\$'000
<b>Financial assets</b>			
Cash		336 953	262 943
Financial assets at amortised cost:			
<i>Receivables</i>	9	31 742	73 643
<b>Total financial assets</b>		<b>368 695</b>	<b>336 586</b>
<b>Financial liabilities</b>			
Financial liabilities measured at amortised cost:			
<i>Payables</i>	11	231 470	184 891
<i>Finance liability</i>	12	192 554	197 519
<i>Lease liability</i>	12	72	95
<b>Total financial liabilities at amortised cost</b>		<b>424 096</b>	<b>382 505</b>

No financial assets and financial liabilities have been offset and presented net in the Statement of Financial Position.

Financial risk management is implemented pursuant to Government policy and seeks to minimise potential adverse effects on the financial performance of the department. The department's activities expose it to a variety of financial risks, that the department measures the risk exposure using a variety of methods as set out below:

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**14 FINANCIAL RISK DISCLOSURES (continued)**

**FINANCIAL RISK MANAGEMENT**

**Risk Exposure, Measurement and Management Strategies**

Risk Exposure/ Measurement Method	Definition / Risk Management Strategies
Credit Risk – Receivables (Note 9)  Method: Ageing analysis	Credit risk exposure refers to the situation where the department may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.  Strategy: Exposure to credit risk is monitored on an ongoing basis using a credit management strategy. This strategy aims to reduce the exposure to credit default by ensuring that the department invests in secure assets and monitors all funds owed on a timely basis.
Liquidity Risk – Payables (Note 11) Finance liability (Note 12)  Method: Sensitivity analysis	Liquidity risk refers to the situation where the department may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.  Strategy: Managed using a liquidity management strategy. This strategy aims to reduce the exposure to liquidity risk by ensuring the department has minimum but sufficient funds available to meet employee and supplier obligations as they fall due.
Market Risk – Finance liabilities (Note 12)  Method: Interest rate sensitivity analysis	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.  Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.  Strategy: The department does not undertake any hedging in relation to interest risk and manages its risk as per the liquidity risk management strategy articulated in the department's Financial Management Practices Manual.

**Liquidity Risk**

The following table sets out the liquidity risk of financial liabilities held by the department. It represents the contractual maturity of financial liabilities, calculated based on undiscounted cash flows relating to the liabilities at reporting date. The undiscounted cash flows in this table differ from the amounts included in the statement of financial position that are based on discounted cash flows.

	2024	Contractual Maturity		
	Total \$'000	<1 year \$'000	1 - 5 years \$'000	> 5 years \$'000
<b>Financial Liabilities</b>				
Payables	231 470	231 470	-	-
Lease liability	72	24	48	-
Financial liability	424 757	28 317	113 269	283 171
<b>Total</b>	<b>656 299</b>	<b>259 811</b>	<b>113 317</b>	<b>283 171</b>
	2023	Contractual Maturity		
	Total \$'000	<1 year \$'000	1 - 5 years \$'000	> 5 years \$'000
<b>Financial Liabilities</b>				
Payables	184 891	184 891	-	-
Lease liability	95	23	72	-
Financial liability	453 074	28 317	113 269	311 488
<b>Total</b>	<b>638 060</b>	<b>213 231</b>	<b>113 341</b>	<b>311 488</b>



Department of Employment, Small Business and Training  
Notes to the Financial Statements  
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## 15 CONTINGENCIES

### Litigation in Progress

At 30 June 2024, there are no cases naming the State of Queensland acting through the Department of Employment, Small Business and Training as defendant.

The maximum exposure of the department under policies held with the Queensland Government Insurance Fund is \$10 000 for each insurable event.

There are currently no cases of general liability and WorkCover common law claims being managed by the department.

### Financial Guarantees and Associated Credit Risks

The department paid a total of \$10.65 million to the Construction Industry Skills Centre Pty Ltd (CISC) between 1994 -1998. The amount is only recoverable in circumstances contingent upon the winding up of CISC and the related trust. The department and the Queensland Training Construction Fund (QTCF) (a trust) are equal shareholders (\$1 share each) in CISC and founders of the fund.

### Native Title Claims over Departmental Land

Native title claims may have the potential to impact upon properties of the department. A number of departmental properties are occupied under a "reserve" tenure, validly created prior to 23 December 1996, and therefore any development undertaken in accordance with gazetted purposes should minimise the potential of native title claims.

At 30 June 2024, three native title claims have been received in respect of departmental land covering a total area of approximately 44 hectares in the Sunshine Coast, Wide Bay and Thursday Island regions. Together the land has a carrying amount of \$4.716 million. At reporting date, it is not possible to make an estimate of any probable outcome of these claims, or any financial effects.

## 16 COMMITMENTS

	2024	2023
	\$'000	\$'000
<b>Capital expenditure commitments</b>		
<b>Buildings</b>		
No later than one year	60 405	67 917
Later than one and not later than five years	19 189	5 579
<b>Total Capital expenditure commitments - Buildings</b>	<b>79 594</b>	<b>73 496</b>
<b>Grant commitments</b>		
No later than one year	101 993	83 185
Later than one and not later than five years	12 215	12 059
<b>Total Grant commitments</b>	<b>114 209</b>	<b>95 244</b>
<b>Other commitments (Public Private Partnership, Priority Purchasing Program and other) *</b>		
No later than one year	20 387	10 124
Later than one and not later than five years	2 666	5 766
<b>Total Other commitments</b>	<b>23 053</b>	<b>15 890</b>

## 17 CONTROLLED ENTITY

### Building Construction Industry Training Fund (Qld) Limited

The BCITF (Qld) Limited ('the Company') was established on 1 January 1999 to assist in the acquisition and enhancement of the knowledge, skills, training and education of workers in the building and construction industry. The Company is established as a public company, limited by guarantee, and the Minister is the sole shareholder. The Company is 100 percent controlled by the department and is audited by the Auditor-General of Queensland.

The Company does not conduct business and therefore has no assets, liabilities, revenues and expenses to be consolidated in these financial statements.

The Company is the sole trustee of the Building and Construction Industry Training Fund ('the Trust'). The Trust is established to advance the education and skills of persons and organisations involved in the building and construction industry and is audited by the Auditor-General of Queensland. The Trust is not controlled by the department.

Department of Employment, Small Business and Training  
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**18 PRIVATE PROVISION OF PUBLIC INFRASTRUCTURE ARRANGEMENT**

**Private Provision of Public Infrastructure (PPPI) Agreement**

The department has one PPPI agreement, the Southbank Education and Training Precinct (SETP) – Public Private Partnership. It is a social infrastructure arrangement whereby the department pays for the third-party use of the infrastructure asset through regular service payments to respective partners over the life of the contract.

The land and buildings are owned by the department and are recognised as Property Plant and Equipment (PPE). SETP buildings are depreciated in accordance with the department's policy for the PPE Buildings' asset class, refer Note 10.

The department recognises the future payments for the construction of the buildings as a financial liability. The monthly service payments are split between the capital component to affect the systematic write down of the liability over the term of the agreement, and the financing component which will be recognised as an expense when incurred. Other components such as facilities management, maintenance, and insurance will be expensed when incurred.

<b>PPPI Arrangement</b>	Southbank Education and Training Precinct (SETP) – Axiom – Public Private Partnership
<b>Partner</b>	Axiom Education Queensland Pty Ltd
<b>Agreement Type</b>	Design, construct, maintain, and finance SETP over 34-year period
<b>Entered Into Contract</b>	April 2005 with construction period from July 2005 to 31 October 2008
<b>Financing Arrangement</b>	Finance during the design and construction phases was provided by JEM (Southbank) Pty Ltd. The department will pay abatable and undissected service payments to Axiom for the operation, maintenance, and provision of the precinct. Axiom is granted the right to enter and operate on the site and is required to maintain the facilities to a high standard.
<b>Risks during the Concession Period</b>	Axiom has accepted site risks for existing structures. DESBT bears the risks associated with performance specifications and changes to current and future requirements of the specifications including operating and maintenance risks. DESBT is also exposed to risks associated with early termination, market value, sponsor and financial requirements, and rehabilitation of the site.

**Accounting policy**

The private provisions of public infrastructure arrangement between the department and Axiom Education Queensland Pty Ltd does not fall within scope of AASB 1059 *Service Concession Arrangements: Grantors* as the management of public services delivered remain the responsibility of the department. Disclosures are included in accordance with AASB 116 *Property, Plant and Equipment* and Queensland Treasury's financial reporting requirements under FRR 5D – *Service Concession Arrangements and Other Public-Private Partnerships*.

**Private Provision of Public Infrastructure – Cash Flow**

The below estimated cash flow is in respect of the specified income and payments required under the contractual agreement for Southbank Education and Training Precinct - Axiom.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Inflows</b>		
No later than 1 year	17 647	17 226
Later than 1 year but not later than 5 years	68 529	67 206
Later than 5 years but not later than 10 years	82 653	81 768
Later than 10 years	74 429	90 762
<b>Net cash inflow</b>	<b>243 258</b>	<b>256 962</b>
<b>Outflows</b>		
No later than 1 year	(45 370)	(50 741)
Later than 1 year but not later than 5 years	(201 983)	(194 248)
Later than 5 years but not later than 10 years	(213 414)	(207 351)
Later than 10 years	(154 680)	(184 706)
<b>Net cash outflow</b>	<b>(615 447)</b>	<b>(637 046)</b>
<b>Total Net Cashflow</b>	<b>(372 189)</b>	<b>(380 084)</b>

**Disclosure about Private Provision of Public Infrastructure Arrangement Cash Flows**

Southbank Education and Training Precinct PPP have no variable costs associated with the contractual agreement.

Fixed costs are based on a risk-free rate of 4.24 percent (2022-23: 3.92%).

Department of Employment, Small Business and Training  
Notes to the Financial Statements  
for the year ended 30 June 2024

**19 MACHINERY-OF-GOVERNMENT CHANGES**

Details of Transfer: Youth Justice division of the former Department Youth Justice, Employment, Small Business and Training transferred to Department of Youth Justice.

Basis of Transfer: Public Service Departmental Arrangements Notice (No.5) 2023

Date of Transfer: Effective from 1 January 2024

The assets and liabilities transferred as a result of this change were as follows:

	Out Dec 2023 \$'000	In May 2023 \$'000
<b>Assets</b>		
Cash	16 142	8 408
Receivables	10 372	4 530
Other current assets and inventories	33 883	24 856
Property, plant and equipment	532 105	535 812
<b>Total Assets</b>	<b>592 502</b>	<b>573 606</b>
<b>Liabilities</b>		
Payables	(20 059)	(7 181)
<b>Total Liabilities</b>	<b>(20 059)</b>	<b>(7 181)</b>
<b>Total Assets</b>	<b>572 443</b>	<b>566 425</b>

The decrease in assets of \$572.443 million has been accounted for as a decrease in contributed equity as disclosed in the statement of changes in equity.

Budgeted appropriation revenue of \$28.682 million (controlled) was reallocated to the Department of Youth Justice as part of the machinery-of-government changes.

**Agent Transactions – Machinery-of-Government changes**

Following Machinery-of-Government changes, the department acts as an agent, receiving appropriation payments from Queensland Treasury on behalf of the Department of Youth Justice for the period 18 December 2023 to 30 June 2024.

Appropriation payments totally \$270.016 million were received and paid to the Department of Child Safety, Seniors and Disability Services who act as an agent, processing transactions on behalf of the Department of Youth Justice.

Department of Employment, Small Business and Training  
Notes to the Financial Statements  
for the year ended 30 June 2024

**20 BUDGETARY REPORTING**

This section contains explanations of major variances between the department's actual 2023-24 financial result and the original budget presented to Parliament.

**EXPLANATION OF MAJOR VARIANCES – STATEMENT OF COMPREHENSIVE INCOME**

<i>Other revenue</i>	The increase in Other revenue relates to higher than anticipated grant expenditure recoveries mainly in the Skilling Queenslanders for Work and Certificate 3 Guarantee programs as a result of compliance audits and final grant acquittals.
<i>Revaluation increment</i>	The variance arises from an unanticipated and unbudgeted revaluation increment during the year for the departments land assets. The movement is predominately due to increases across most of the TAFE sites with \$13.8 million at the South Bank campus, \$4.4 million at North Lakes, \$3.5 million at Nambour and \$3.2 million at Bundamba.
<i>Supplies and services</i>	The increase in Supplies and services is mainly due to numerous initiatives experiencing revised delivery time frames, including the Vocational Education and Training ICT Modernisation and Transformation project, the Queensland Business Launchpad, Jobs Queensland Initiatives, Queensland Clean Energy Workforce Roadmap initiatives, Queensland Workforce Strategy initiatives and Future Skills Fund initiatives.
<i>Depreciation and amortisation</i>	The increase is due to the effect of the 2022-23 revaluation program and the department capitalising buildings throughout the year, with asset values increasing and adjustments to useful lives impacting on annual depreciation expenses.

**EXPLANATION OF MAJOR VARIANCES – STATEMENT OF FINANCIAL POSITION**

<i>Cash</i>	Part of the variance for Cash (\$66.3 million) is attributable to a higher actual opening balance, compared to what was estimated in the budget because of the difference between estimated and actual cash flows for the previous financial year. The remainder of the variance is substantially due to the factors outlined in the explanations of major variances for the Statement of Cash Flows.
<i>Receivables</i>	The increase is mainly due to \$13.1 million for the Regional Renewable Energy Training Hubs projects, \$2.7 million accrued revenue for the Small Business Resilience and Recovery program and a \$2.5 million year-end Commonwealth appropriation receivable from the Consolidated Fund for the Central Queensland University Cairns CBD Campus project.
<i>Property, plant and equipment</i>	The increase is mainly due to the effect of the annual revaluation program with higher asset revaluations than anticipated due to significant increases in construction costs and shortage of supply of trade skilled workers as well as investment in the Training and Skills capital program adjusted for annual depreciation.
<i>Payables</i>	The increase is mainly due to the year-end payable to the Consolidated Fund for various limited life programs (\$109 million) due to delays or changed program plans including revised payment schedules, including Queensland Workforce Strategy initiatives, Future Skills Fund initiatives, Skilling Queenslanders for Work and other Vocational Education and Training programs.
<i>Provisions</i>	The increase is mainly due to increased student numbers and the value of the subsidies for the competencies enrolled, as per Note 13.
<i>Other current liabilities</i>	The increase is mainly due to unearned revenue of \$13.1 million for the regional Renewable Energy Training Hubs projects.

**EXPLANATION OF MAJOR VARIANCES – STATEMENT OF CASH FLOW**

<i>Appropriation receipts</i>	The increase in Appropriation receipts is mainly due to an Australian Government funding increase for the new National Skills Agreement \$48.4 million and \$12.4 million continuing the Free TAFE initiative, other increases across various State funded programs including \$40.6 million for Free Nursing, \$20.2 million for the Future Skills Fund initiatives and an additional \$43 million in depreciation funding.
<i>Payments for property, plant and equipment</i>	The decrease in Payments for property, plant and equipment is mainly due to revised schedules for the capital works program due to delays experienced from supply issues in the building construction industry.
<i>Equity injections</i>	The decrease in Equity injections is mainly due to revised schedules for the capital works program due to delays experienced from supply issues in the building construction industry.
<i>Equity withdrawals</i>	The increase relates to increased depreciation (as per the Depreciation and amortisation variance note for the Statement of Comprehensive Income) and the increased appropriation receipts/funding received for depreciation which then is returned annually as equity withdrawals to the consolidated fund.

Department of Employment, Small Business and Training  
Management Certification  
for the year ended 30 June 2024

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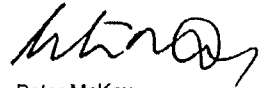
These general-purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 38 the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with section 62(1)(b) of the Act we certify 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 the prescribed accounting standards, of the transactions of the Department of Employment, Small Business and Training for the financial year ended 30 June 2024, and of the financial position of the department at the end of that year; and

The Director-General, as the Accountable Officer of the department, acknowledge(s) responsibility under section 7 and section 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.



Stephen Blatchford CPA  
Chief Finance Officer  
Department of Employment,  
Small Business and Training



Peter McKay  
Director-General  
Department of Employment,  
Small Business and Training

Date: 29-6-2024

Date: 29.08.2024

## INDEPENDENT AUDITOR'S REPORT

To the Accountable Officer of the Department of Employment, Small Business and Training

### Report on the audit of the financial report

#### Opinion

I have audited the accompanying financial report of the Department of Employment, Small Business and Training.

The financial report comprises the statement of financial position and statement of assets and liabilities by major departmental service as at 30 June 2024, the statement of comprehensive income, statement of changes in equity, statement of cash flows and statement of comprehensive income by major departmental service for the year then ended, notes to the financial statements including material accounting policy information, and the management certificate.

In my opinion, the financial report:

- a) gives a true and fair view of the department's financial position as at 30 June 2024, and its financial performance for the year then ended; and
- b) 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 department 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.

#### Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. I addressed these matters in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

## Valuation of buildings (\$2.1 billion as at 30 June 2024)

Refer to note 10 in the financial report

Key audit matter	How my audit addressed the key audit matter
<p>Department of Employment, Small Business and Training's buildings were measured at fair value at balance date using the current replacement cost method.</p> <p>The department performed a comprehensive revaluation of approximately three-quarters of its buildings using independent valuers with remaining assets being revalued using indexation. It is the department's policy to conduct revaluations on this basis annually. This is consistent with the department's intention to implement a rolling revaluation program.</p> <p>The current replacement cost method comprises:</p> <ul style="list-style-type: none"> <li>gross replacement cost, less</li> <li>accumulated depreciation.</li> </ul> <p>For comprehensively revalued buildings, the department applied unit rates provided by the independent valuer to derive gross replacement cost. These unit rates require significant judgement in relation to:</p> <ul style="list-style-type: none"> <li>identifying the components of buildings with separately identifiable replacement costs</li> <li>specifying the unit rate categories based on building and component types with similar characteristics</li> <li>assessing the current replacement cost for each unit rate category having consideration for more contemporary design/construction approaches.</li> </ul> <p>For buildings not comprehensively revalued, significant judgement was required to estimate the change in gross replacement cost from the prior year.</p> <p>The significant judgements required for gross replacement cost and useful lives are also significant for calculating annual depreciation expense.</p>	<p>My procedures for buildings comprehensively revalued included, but were not limited to:</p> <ul style="list-style-type: none"> <li>Assessing the adequacy of management's review of the valuation process.</li> <li>Obtaining an understanding of the methodology used and assessing its design, integrity and appropriateness with reference to common industry practice.</li> <li>Assessing the competence, capability and objectivity of the experts used by the department.</li> <li>On a sample basis, evaluating the relevance, completeness and accuracy of source data used to derive the unit cost rates including: <ul style="list-style-type: none"> <li>modern substitute (including locality factors and on-costs)</li> <li>adjustment for obsolescence.</li> </ul> </li> </ul> <p>For buildings revalued by index, my procedures included, but were not limited to:</p> <ul style="list-style-type: none"> <li>Evaluating the relevance and appropriateness of the indices used for changes in Building Price Index inputs by comparing to other relevant external indices.</li> <li>Reviewing the appropriate application of these indices to the remaining assets of the portfolio.</li> </ul> <p>Building's useful life estimates were reviewed for reasonableness by:</p> <ul style="list-style-type: none"> <li>Reviewing management's annual assessment of useful lives.</li> <li>Ensuring that no component still in use has reached or exceeded its useful life.</li> <li>Reviewing formal asset management plans and enquired of management about whether these plans remain current.</li> <li>Where changes in useful lives were identified, evaluating whether the effective dates of the changes applied for depreciation expense were supported by appropriate evidence.</li> <li>Ensuring that management has updated accumulated depreciation this year for changes in remaining useful lives identified.</li> </ul>

## **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 2024, 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 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 accountable officer for the financial report**

The Accountable Officer 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 for such internal control as the Accountable Officer determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Accountable Officer is also responsible for assessing the department'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 department 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/ar6.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar6.pdf)

This description forms part of my auditor's report.



## **Report on other legal and regulatory requirements**

### **Statement**

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2024:

- 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.

### **Prescribed requirements scope**

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the department's transactions and account balances to enable the preparation of a true and fair financial report.



Bhavik Deoji  
as delegate of the Auditor-General

30 August 2024  
Queensland Audit Office  
Brisbane

