

# ANNUAL REPORT 2022–23



# Acknowledgement of Country

The Department of Youth Justice, Employment, Small Business and Training (DYJESBT) respectfully acknowledges the First Nations people in the state of Queensland and acknowledges the cultural and spiritual connection that Aboriginal and Torres Strait Islander peoples have with the land and sea.

We respectfully acknowledge Aboriginal people and Torres Strait Islander people as two unique and diverse peoples, with their own rich and distinct cultures, resilience, and strengths. We specifically acknowledge the unique history and cultural heritage of Aboriginal and Torres Strait Islander peoples as the First Peoples of Australia.

We pay our respect to the Elders past and present. We are dedicated to the inclusion of cultural knowledge and values as critical factors in the development, implementation and evaluation of strategies and actions to support First Nations people.

## About this report

### Purpose

This annual report summarises financial and corporate performance information about the Department of Youth Justice, Employment, Small Business and Training (DYJESBT or 'the department') for 2022–23. It has been prepared in accordance with the *Financial Accountability Act 2009*, the *Financial and Performance Management Standard 2019* and the Annual Reporting Requirements for Queensland Government agencies.

### Enquiries and further information

This annual report, including additional information not reported in the published version is available online:

<https://desbt.qld.gov.au/about-us/reports>

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### Interpreter services



The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding the annual report, please call Translating and Interpreting Service (TIS National) on telephone 131 450 and we will arrange an interpreter to effectively communicate the report to you.

### Open data

DESBT's implementation of the Queensland Language Services Policy during 2022–23 is available online: [www.data.qld.gov.au](http://www.data.qld.gov.au)

For 2022–23, DYJESBT had no expenditure to report for overseas travel and for consultancies.

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# Letter of compliance

27 September 2023

The Hon Dianne Farmer MP  
Minister for Employment and Small Business,  
Minister for Training and Skills Development  
and Minister for Youth Justice  
PO Box 15483  
CITY EAST QLD 4002

Dear Minister

I am pleased to submit, for presentation to the Parliament, the Annual Report 2022–2023 and financial statements for the Department of Youth Justice, Employment, Small Business and Training.

This report is prepared on the basis of the current administrative arrangements for this department applying for the whole of the 2022–2023 financial year. That is, it reflects the structure, operations and performance of the department as it now exists.

I certify that this annual report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*
- the detailed requirements set out in the Annual report requirements for Queensland Government agencies and as outlined in the compliance checklist (refer Appendix 1).

Yours sincerely



Robert Gee APM BBus MPA GAICD

Director-General  
Department of Youth Justice, Employment, Small Business and Training

# Message from the Director-General

In 2022–23, the Department of Youth Justice, Employment, Small Business and Training (DYJESBT) has continued to deliver programs and initiatives to achieve our vision for 'safe and empowered communities, where skilled Queenslanders and vibrant small businesses grow Queensland's economy'.

In providing comprehensive and targeted approaches across our portfolio, the department has continued to provide infrastructure, programs, support and services that provide real and tangible differences for individuals and communities.

We have delivered, supported and introduced a range of programs in tackling the complexity of youth crime, and provided positive pathways for individuals and communities including funding early intervention and prevention services.

As part of the Government's extensive response to youth crime, the department selected a site in the Woodford Correctional Precinct for the first of two new therapeutic youth detention centres to be constructed.

Over 2022–23 we have driven reforms to the youth justice system to make our communities safer, address the causes of offending, target repeat offenders, support victims and reduce youth crime in Queensland.

To further enhance community safety and actively target serious repeat offenders, the Government introduced the *Strengthening Community Safety Bill 2023* which made amendments to the *Youth Justice Act 1992*.

In delivering a second round of the Community Partnership Innovation Grants communities were empowered to identify the key issues driving youth offending in their location and develop innovative responses to address these issues.

We expanded the Youth Co-Responder Teams, which have provided a rapid response for young people at risk of offending and young people on bail since 2020. Significant work is being carried out to support ongoing diversionary responses to young people engaging in anti-social behaviour including after-hours support, cultural mentoring and alternative opportunities and activities for at-risk young people.

We continued the Townsville Stronger Communities initiative to get young people back on track to lead more productive lives, and we continued to support First Nations young people through On Country programs providing culture-based supervision by Elders.

The department is dedicated in its ambition to improve Queenslanders' lives – from services to the youth justice system and keeping Queensland safe, to enhancing our economic prosperity through preparing Queensland's workforce for the future and strengthening our small business sector.

Queensland is a national leader in job creation and supporting everyone who wants to work into employment. To support this, the department was proud to release the *Good*

*people. Good jobs: Queensland Workforce Strategy 2022–2032 and action plan in August 2022.*

This strategy is built on the three pillars of connecting, educating and attracting the state's workforce to ensure the continued success of our economy, while enhancing Queensland's reputation as the best place to live, work and play. Implementation of the strategy is well underway and includes a focus on strategic partnerships between industry, community and government.

An example of this is the work that the department is undertaking with industry to plan and provide support to continue to deliver a skilled workforce for Queensland's clean energy transformation.

In 2022–23, the Queensland Government invested more than \$1.2 billion in publicly funded training and skills initiatives that contribute to building Queensland's workforce and enhancing the state's productivity. As a result of this investment, more than 224,000 Queensland government-funded students have undertaken vocational education and training in 2022–23 through the department's network of around 350 Skills Assure Suppliers.

As part of this significant investment in training and skills, the department implemented the Fee-Free TAFE initiative from 1 January 2023 that is jointly funded with the Australian Government and has already seen more than 38,000 Queenslanders undertake one of 87 priority qualifications.

Queensland's apprenticeship and traineeship system also continues to provide a strong pipeline of skilled workers and tradespersons, with the number of apprentices and trainees in training in June 2023 at the highest level for a decade and initiatives such as Free Apprenticeships for under 25s continuing to support Queenslanders into these opportunities supported by industry.

I am also incredibly proud of the commitment of my department in supporting small businesses, particularly those impacted by floods. Our regional team provided face-to-face tailored support to small businesses, while the Small Business Hotline, the Business Queensland website and grants programs also provided Queensland's small businesses with critical information and valuable resources.

We are also leading the roll-out of the Small Business Wellness Package to ensure small businesses are better prepared for adversity when it strikes and have measures in place to relieve the pressures. The package will make a vital contribution to supporting the mental health of Queensland's small business owners.

The Queensland Small Business Advisory Council has continued to be a strong voice for small business and provided valuable insights for the department.

During Queensland Small Business Month in May 2023, we acknowledged the 21st anniversary of the Mentoring for Growth program and celebrated the volunteer mentors who give their time and expertise to help small business grow and thrive.

With the introduction of the *Small Business Commissioner Act 2022*, came the announcement of permanency for the role of Queensland Small Business Commissioner, and we welcomed Dominique Lamb's appointment to the role in December 2022. I would like to acknowledge the dedication of the outgoing temporary Commissioner, Maree Adshead who has provided invaluable support for Queensland small businesses.

I have only touched on the enormity of work undertaken by the department in 2022-23. I acknowledge the leadership, effort and collaboration by our dedicated DYJESBT staff and thank them for their collective achievement.

I also extend my gratitude to our valuable stakeholders, partners, Minister Farmer and her office for their support.

I look forward to the department contributing further to the economic and social strength of Queensland in 2023-24.

A handwritten signature in blue ink, consisting of a stylized 'R' followed by a horizontal line and a vertical stroke.

Robert Gee APM BBus MPA GAICD

Director-General  
Department of Youth Justice, Employment, Small Business and Training



# Our department

## Our strategic objectives



### Youth Justice

Keeping Queenslanders safe through preventing offending and reducing reoffending by young people



### 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

## Our vision

Safe and empowered communities, where skilled Queenslanders and vibrant small businesses grow Queensland's economy.

## Our purpose

To keep the community safe through preventing offending and reducing reoffending by young people and to build Queensland's future workforce through connecting all Queenslanders to learning opportunities, quality training, employment opportunities and by helping small businesses to start 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 providing funding to non-government service providers, by working across government agencies to support jobs and job pathways, and 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 all economic opportunities.
- **Backing small business** – by helping small businesses to start, grow and thrive through targeted and successfully delivered grants and support programs and to help keep Queenslanders in jobs.
- **Making it for Queensland** – by working together with other agencies to increase access to new markets for regional small businesses and working with industry to adopt innovative manufacturing techniques to enhance global competitiveness.
- **Investing in skills** – by funding programs and service initiatives that provide skill development and training opportunities to young people in our care and in the youth justice system and by connecting people to quality training and skills to create better employment pathways.

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

- **Backing our frontline services** – by delivering culturally safe and responsive frontline services in youth justice, by contributing to community safety and wellbeing and by connecting people to training and investing in infrastructure that will be used for teaching new skills to frontline staff to access skilling and employment opportunities; and to access small business services.
- **Keeping Queenslanders safe** – by delivering continuous services to the regions to ensure the health, safety and wellbeing of our staff and young people and by upgrading and modernising health training facilities at TAFE Queensland campuses and supporting Queenslanders to undertake training in health and science.
- **Connecting Queensland** – by providing services that improve social outcomes and greater social inclusion for our staff and young people and 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 providing funding to regional non-government service providers and working with local governments to welcome and attract people, talent, investment and economic prosperity to regions and by supporting and growing regional partnerships and working with regional business and industry on projects and programs to support economic resilience and growth.
- **Building Queensland** – by upgrading and building new TAFE Queensland infrastructure and facilities to ensure we have world-class learning environments.
- **Honouring and embracing our rich and ancient cultural history** – by respecting self-determination for Aboriginal and Torres Strait Islander families to safely care for their young people, by supporting Aboriginal and Torres Strait Islander communities with services that are accessible, culturally respectful and safe to help young people thrive, and by delivering a First Nations Training Strategy to support Aboriginal and Torres Strait Islander communities to develop skills relevant to local needs and secure jobs.

## Our key achievements

During 2022–23, we worked collaboratively with government and stakeholders in delivering the following key achievements and government commitments:

- implemented, in collaboration with the Queensland Police Service and other relevant agencies, the *Strengthening Community Safety Act 2023* to hold young people to account for serious offending
- expanded the electronic monitoring trial to 15-year-olds and from five to eight locations for another two years, delivering increased supervision and resources to manage young people with serious repeat offences aged 15 to 17 years who are on bail
- expanded the joint Youth Justice and Queensland Police Service Youth Co-responder program from 8 to 11 teams
- delivered an additional \$3 million for Community Partnership Innovation Grants, strengthening investment in First Nations and other organisations to help design effective community-led initiatives to respond to local issues driving youth offending and help address over-representation of Aboriginal and Torres Strait Islander young people in the youth justice system
- established a new bail support service in Hervey Bay to support young people comply with their bail conditions
- launched the *Good people. Good jobs: Queensland Workforce Strategy 2022–2032* to strengthen Queensland’s current and future workforce
- delivered the first funding round for large-scale projects to be delivered under the Workforce Connect Fund
- ran a program of statewide events in Small Business Month with our partners celebrating our diverse small businesses and connecting them to support, grants and partnerships
- supported the reinvigorated Queensland Small Business Advisory Council to strengthen the voice of small business in policy design and program delivery
- provided small business grants and the Mentoring for Growth program
- delivered on the Back to Work initiative, which is approved for up to \$35 million per annum, for a total \$140 million over 4 years from 2021–22
- supported the workforce adaptation to high growth and emerging industries, including commencing the development of a Clean Energy Workforce Roadmap and implementing the Hydrogen Industry Workforce Development Roadmap 2022–2032
- funded quality skills pathways and opportunities in partnership with the Australian Government, including approximately over 38,000 Fee-Free TAFE vocational education and training places
- provided the Fee-Free TAFE and Free Apprenticeships for under 25s program that provided Queenslanders aged under 25 with access to free certificate III courses across 26 priority skills areas, as well as free apprenticeships across 139 priority qualification areas
- invested \$1.2 billion to continue delivering high quality training and skills programs that contribute to building Queensland’s workforce to support our economic recovery and growth
- continued implementing the investment of \$100 million in funding over 3 years to upgrade TAFE campuses and improve training programs as part of the broader Equipping TAFE for Our Future initiative.

## Our operating environment

As part of the machinery-of-government changes, effective 18 May 2023, the former Department of Employment, Small Business and Training was renamed the Department of Youth Justice, Employment, Small Business and Training (DYJESBT or the department). As a result, Youth Justice was transferred from the former Department of Children, Youth Justice and Multicultural Affairs.

### Environmental factors

The major environmental factors that impacted DYJESBT and its service delivery during 2022–23 involved:

- changing growth and investment rates
- digital acceleration
- shifting economic, labour market, business and skill requirements.

### Strategic risks

We proactively monitor and manage enterprise and strategic risks, that may impact our ability to:

- keep young people in our care safe from harm and support them to address offending
- meet demand for youth detention centre infrastructure and services
- prioritise health and safety of employees, contractors and visitors
- develop sufficient and resilience workforce capacity and capability
- build and maintain positive stakeholder engagement
- manage exposure to major disruptions, disasters and unplanned events
- maintain appropriate corporate governance informing robust decisions and ensuring compliance supporting integrity and transparency.

### Strategic opportunities

We pursue opportunities for advancing our strategic objectives by:

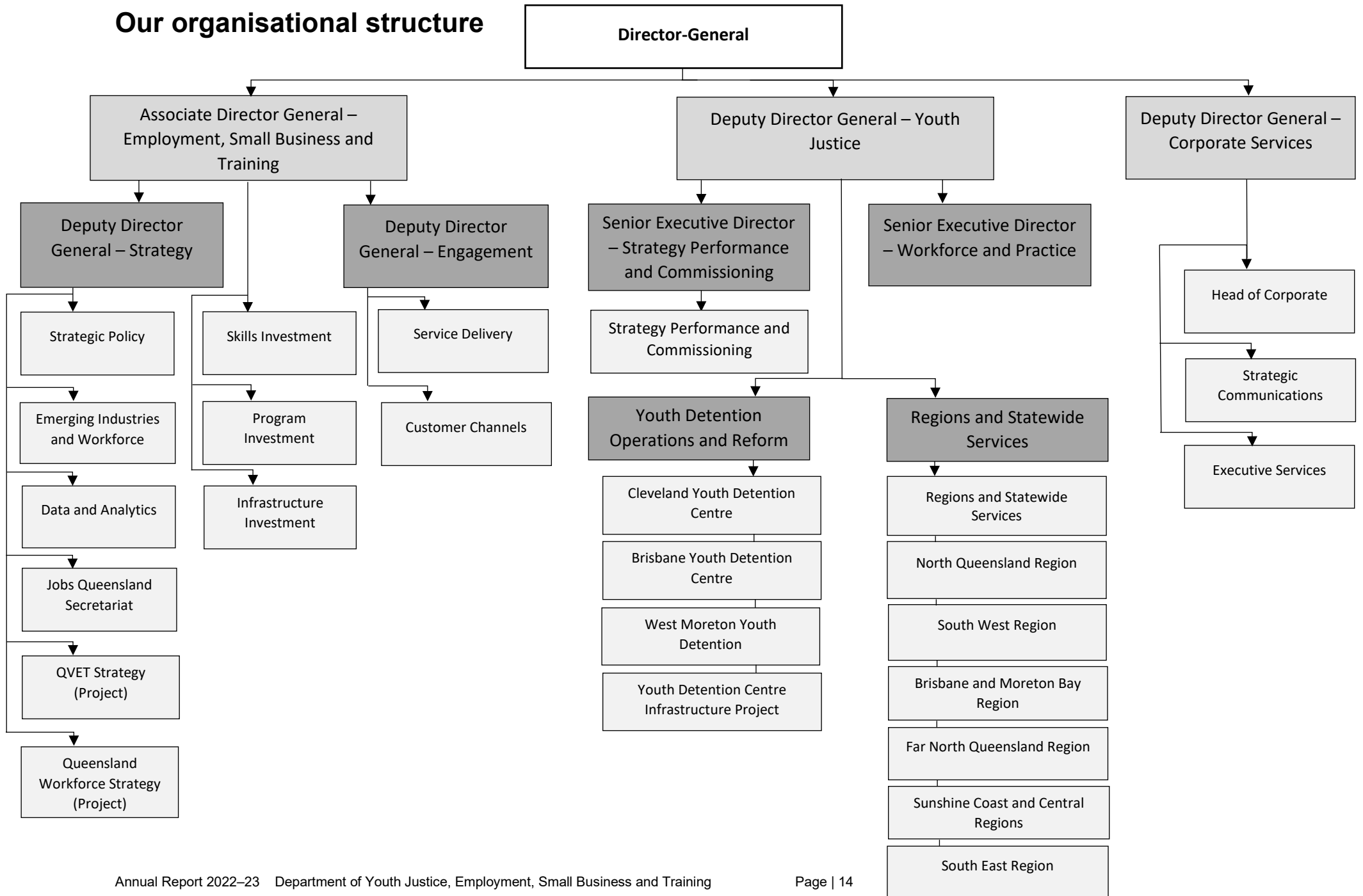
- leveraging regional networks to maximise our resources and to be responsive to customers and community
- implementing digital innovation leveraging new technology to improve customer service outcomes
- embedding First Nations participation in departmental business practices and programs and service delivery and readying for Path to Treaty
- developing sound policies, programs and implementing services reflecting current priorities, government and community expectations.

## Our legislation

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

- <https://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 ended 30 June 2023 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 2022–23 total income was \$1.410 billion and total expenses of \$1.367 billion, resulting in a net surplus for the year of \$43.4 million, compared to a surplus of \$31.2 million in 2021–22. The year-end positions have been driven by land revaluations with an increment in both years, also noting 2022–23 was impacted by the machinery-of-government change with Youth Justice transitioning into the department as at 1 June 2023.

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

Category	2022–23 \$'000	2021–22 \$'000	2020–21 \$'000
Total income	1,410,473	1,550,051	1,309,617
Total expenses	1,367,121	1,518,818	1,314,974
<b>Operating result for the year</b>	<b>43,352</b>	<b>31,233</b>	<b>(5,357)</b>

### Income

The primary source of the department's revenue in 2022–23 was \$1.325 billion of appropriation from the Queensland Government, which accounted for 94% of the total income. Further sources of revenue comprised \$45.3 million for a land increment, \$25.9 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 \$11.3 million in grants and contributions as well as \$2.7 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 2023 and previous years**

Category	2022–23 Percentages	2022–23 \$'000	2021–22 \$'000	2020–21 \$'000
Appropriation revenue	94%	1,325,370	1,459,156	1,271,505
Other revenue	1.8%	25,877	50,146	30,811
Land increment	3.2%	45,256	34,948	-
User charges, grants, and contributions	1%	13,970	5,801	7,301
<b>Total revenue</b>	<b>100%</b>	<b>1,410,473</b>	<b>1,550,051</b>	<b>1,309,617</b>

## Expenses

Expenses totalled \$1.367 billion in 2022–23, which included \$1.06 billion (77.4%) of grants and subsidies mainly related to training and skills programs (\$1.004 billion).

The department expended \$116 million on supplies and services, with the largest spending on building maintenance and associated costs. To support the department's workforce, \$96.9 million was expensed on employee expenses. There were 2,392 full time equivalents (FTEs) at 30 June 2023 compared to 570 full time equivalents in 2022, which is mainly due to the machinery-of-government changes with Youth Justice transferring into the department. Depreciation of \$69.2 million was incurred which predominantly related to TAFE Queensland buildings controlled by the department, and a further \$21.3 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 2023 and previous years**

Category	2022–23 Percentages	2022–23 \$'000	2021–22 \$'000	2020–21 \$'000
Grants and subsidies	77.4%	1,058,519	1,259,759	1,083,123
Supplies and services	8.5%	116,209	96,940	75,582
Employee expenses	7.1%	96,939	70,488	66,142
Depreciation and amortisation	5.1%	69,155	57,782	54,035
Finance/borrowing costs	1.6%	21,282	21,726	22,130
Other expenses (including impairment losses and revaluation decrement)	0.4%	5,017	12,123	13,962
<b>Total expenses</b>	<b>100%</b>	<b>1,367,121</b>	<b>1,518,818</b>	<b>1,314,974</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 2023, this was \$2.844 billion.

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

Category	2022–23 \$'000	2021–22 \$'000	2020–21 \$'000
Total assets	3,308,926	1,970,888	1,850,266
Total liabilities	(464,827)	(457,689)	(500,796)
<b>Net assets</b>	<b>2,844,099</b>	<b>1,513,199</b>	<b>1,349,470</b>
Contributed equity	1,758,582	1,204,016	1,234,040
Accumulated surplus/(deficit)	(31,699)	(75,054)	(106,287)
Asset revaluation surplus	1,117,216	384,237	221,717
<b>Total equity</b>	<b>2,844,099</b>	<b>1,513,199</b>	<b>1,349,470</b>



## Assets

As at 30 June 2023, the department held assets totalling \$3.309 billion. Assets consist primarily of \$262.9 million in cash, and \$2.948 billion in property, plant, and equipment. Property, plant, and equipment represents 89.1% of total assets and consists predominately of \$529 million in land, \$2.347 billion in buildings and \$67.3 million of work in progress on buildings, which are predominately TAFE Queensland sites and youth detention centres that are controlled by the department.

In 2022–23 the annual revaluation of buildings had a net increase of \$733 million, increasing the building asset revaluation surplus to \$1.117 billion. The revaluation of land resulted in a \$45.3 million increment, which is recognised in the Statement of Comprehensive Income as the department has yet to establish a land asset revaluation reserve.

## Liabilities

The department's liabilities as at 30 June 2023, totalled \$464.8 million consisting primarily of \$184.9 million in payables, \$198 million in borrowings, and \$73.1 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 2023.

## Equity

The department's equity as at 30 June 2023, totalled \$2.844 billion consisting of \$1.759 billion contributed equity, a \$1.117 billion asset revaluation surplus and \$31.7 million accumulated deficits. Contributed equity is predominantly made up of balances transferred into the department on establishment from the machinery-of-government changes in 2017–18 and this financial year for Youth Justice services transitioning in, and ongoing appropriated equity adjustments to/from the consolidated fund. The asset revaluation surplus is for the building class and fluctuates with annual revaluations. The accumulated deficit position is predominantly due to the annual land revaluations with the department yet to establish an asset revaluation reserve for the land class.

## 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 2023. The Chief Finance Officer has fulfilled the minimum responsibilities required by the *Financial Accountability Act 2009*.

## **Our Service Delivery Performance Highlights 2022–2023**

# Youth Justice

Keeping Queenslanders safe through preventing offending and reducing reoffending by young people.

## Distinct young people with a proven offence: snapshot as at 30 June 2023

<b>4,643</b>	<b>3,260</b>
	<b>(30% reduction since 2019)</b>
at 30 June 2019	at 30 June 2023

During 2022–23, the department delivered the following key achievements:

### Targeting serious repeat offenders

- implemented, in collaboration with the Queensland Police Service and other relevant agencies, the *Strengthening Community Safety Act 2023* to hold young people to account for serious offending. The amendments included:
  - increased penalties for unlawful use of a motor vehicle
  - new circumstances of aggravation for unlawful use of a motor vehicle
  - a breach bail condition offence for children
  - extension and expansion of electronic monitoring device provisions
  - arrest for contraventions of bail conditions
  - expansion of the presumption against bail
  - a new serious repeat offender declaration scheme
  - changes to conditional release orders
  - clarifying that courts are to consider bail history when sentencing
  - new arrangements for the transfer of 18-year-olds to adult correctional facilities
  - provision for Multi-Agency Collaborative Panels.
- expanded multi-agency collaborative panels to a total of 18 locations and repositioned them to improve information sharing, and ensure service delivery is coordinated, evidence-based and targeted at reducing risk of re-offending.

### Tackling the complex causes of youth crime

- expanded the joint Youth Justice and Queensland Police Service Youth Co-responder Team to tackle serious youth crime in Ipswich, Brisbane South, Toowoomba, Mount Isa and Fraser Coast, bringing the total number of operational teams to 13 with 65,245 engagements statewide since commencement to 30 June 2023
- expanded the Intensive Case Management program with an additional 47 staff to work intensively with young people with multiple and complex needs who are at a high and very high risk of re-offending, their siblings and other family members. An evaluation shows reduced re-offending and frequency of offending

- continued our commitment to fund culturally safe and responsive initiatives delivered by Aboriginal and Torres Strait Islander Community Controlled Organisations through the ongoing delivery of Family-Led Decision Making, a two-year extension of the trial of On Country and ongoing funding for Cultural Mentoring programs
- committed ongoing funding as well as a two-year trial expansion of the Intensive Bail Initiative to manage young people's compliance with bail conditions
- continued delivery of the Transition to Success (T2S) program to prevent young people's involvement or progression through the youth justice system through vocational training delivered in the community, with completion of the program by 48 young people who gained employment and another 27 who transitioned to other training
- commenced the Youth Drug and Alcohol response for young people in the youth justice system in South East Queensland through an interim day program.

### **Supporting community safety and victims**

- delivered a second round of Community Partnerships Innovation Grants with an allocation of \$3 million
- commenced the joint Taskforce Guardian with the Queensland Police Service to provide guidance to regional staff in addressing the risk factors of high risk and serious youth offending in an evidence-based way
- expanded the electronic monitoring trial to 15-year-olds and from five to eight locations for another two years, delivering increased supervision and resources to manage young people with serious repeat offences aged 15 to 17 years who are on bail
- selected the site for a new youth detention centre at the Woodford Correctional Precinct
- increased youth detention worker intakes by: establishing a state-wide recruitment function; national recruitment campaigns; and new resources to proactively support workplace health and safety in youth detention centres
- continued to focus on attraction and retention of frontline roles for both youth justice service centres and youth detention centres, with the safety, wellbeing and capability of staff a key consideration
- finalised the establishment of 18 Multi-agency Collaborative Panels across the state which provide a multi-agency and multi-disciplinary approach to respond to the needs of young offenders. Partner agencies include the Queensland Police Service, Child Safety, Queensland Health and Education. The panel has a renewed focus on serious repeat offenders
- continued the operation of the nationally recognised Restorative Justice processes which provide the victims an opportunity to meet with the offender and discuss how the offender can make amends
- expanded to seven new sites for Intensive Case Management and expansion of existing sites through further resourcing.

### **Support for young people in youth detention centres**

- in partnership with Queensland Health, provided all young people with preliminary assessment at the point of admission to a youth detention centre to ensure their immediate needs are met, including cultural support and urgent medical attention
- provided programs for young people in youth detention centres tailored to meet individual risk and needs
- provided programs for young people in youth detention, covering:
  - educational, vocational training and skills through Queensland Education
  - targeted cultural programs
  - speech and language programs
  - sport, recreation and fitness programs

- life skills programs
- targeted health programs offered through Queensland Health, including mental health, group therapy programs and substance use intervention
- behavioural change programs focused on key issues, including domestic and family violence, emotional regulation and aggression replacement programs
- employed Aboriginal and Torres Strait Islander cultural liaison officers and other identified roles in youth detention centres. These positions assist staff in providing culturally responsive services to Aboriginal and Torres Strait Islander young people who are accommodated in youth detention centres.
- operated youth education and training centres within the youth detention centres through the Department of Education. All young people in detention are offered and engaged in educational and vocational learning which includes core curriculum topics such as literacy and numeracy, in addition to extra-curricular activities such as drama, music, job-readiness, sporting activities, cultural programs and personal development programs.
- expanded the delivery of education services in Youth Detention centres from 40 weeks per year to 48 weeks per year
- collaborated with other flexible and alternate education providers, such as the Queensland Pathway College, to strengthen young people's pathway options through education and training
- provided young people with access to certificates in hospitality, engineering, horticulture, construction, creative industries, digital media and technology, automotive vocational pathways, visual arts, bricklaying, barbering and fitness
- commenced the 72-hour transition plan process across the state ensuring better information sharing and structured engagement of young people exiting custody.

### **Support for young people in Watchhouses**

- supported the safety and wellbeing of young people in watchhouses in partnership with the Queensland Police Service and other agencies, including Queensland Health and the Department of Education
- coordinated with oversight bodies to ensure young people are supported in watchhouses
- supported all young people to have contact with their care providers, families and other people of significance. Care providers are also provided regular updates about court outcomes, the young person's wellbeing while in a watchhouse and information about admission to a youth detention centre.
- provided via youth justice staff a range of support for children in watchhouses, including:
  - safety and wellbeing checks
  - case management and liaison with legal advocacy and bail support services
  - facilitation of contact with family and other people of significance
  - provision of practical items and other supports as required, such as warm clothing, toiletries and hygiene products, blankets, snacks, books and educational materials
- partnered with funded supports such as Murri Watch to provide cultural services for young people in Watchhouses.

# Case studies

## Case study 1: Intensive Case Management

Tom is a 16 year old young Aboriginal male who commenced offending at the age of 15 years. Tom was disengaged from education and employment, exhibiting disruptive behaviours in the classroom and on school property, participating in illegal and antisocial activities at school. Tom did not have many positive peers, with majority of his friends already involved in criminal activities. Tom's offending profile consisted primarily of property, drug, fraud and motor vehicle offending. As a result of his offending, Tom spent some time in a youth detention centre.

Tom engaged in the Intensive Case Management program in early November 2022 following his release from youth detention. Tom has completed offence focused and cognitive behavioural programs and is now able to understand and articulate the impact his offending behaviour has had on those around him and the victims. With strong support and intervention from the Intensive Case Management team, Tom and his family have maintained desistance from re-offending and Tom has re-engaged back into mainstream full time education. Tom was recently the age champion at a school sport and he completed two probation orders successfully. Tom's younger sister was also supported to re-engage in education. The program supported Tom in being assessed for Attention Deficit Hyperactivity Disorder and Reactive Attachment Disorder.

With much needed stability with his school, home life and a dramatic positive change in his attitude, Tom is on track to successfully complete his third and final Probation Order, with no further offending having occurred. Tom's parents and sister have advised they are so proud of him and acknowledged the change in his behaviour with a family celebration.

## Case study 2: Bail Support

Kat identifies as Aboriginal female. Kat resided with her grandma and was unemployed and not engaged in any education or training. At the time Kat had very limited reading and writing skills and this affected her confidence in the community and created much frustration and shame.

The service provided transport support to and from the courts and youth justice service centre for weekly reporting to ensure compliance with bail conditions. The service would contact the young person regularly throughout the week to provide her with reminders. The young person consented to referral to mental health services for her emotional well-being and the service supported by providing her guidance on developing plans and goals that were realistic. The service also assists the young person in general hygiene activities such as obtaining haircuts and purchasing products.

Through this program, Kat connected with Aboriginal Elders locally as she was interested in her cultural identity. She attended an Aboriginal art exhibition in the local area and acknowledged the positive impact this had for her.

Kat has successfully completed her bail orders and has not had any offending behaviours. She is employed on a casual basis locally and has made progress in terms of her anxiety and stress with the support of the mental health service. She has linked in with Elders who encourage her to stay motivated with her employment.

Note that names in the above case studies have been changed or withheld in the interests of privacy.

# Employment

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

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

DYJESBT is partnering with other agencies in delivering the *Good people. Good jobs: Queensland Workforce Strategy 2022–2032* (QWS).

With agencies delivering actions under the Strategy's first Action Plan (2022–2025) and QWS informing a range of workforce-related activities, DYJESBT is ensuring a coordinated whole-of-government approach. The department is implementing the following initiatives against QWS focus areas:

### Workforce attraction and retention

- established the \$20 million Workforce Connect Fund, with \$12.5 million for 16 projects targeting 4,400 employers and 20,000 workers being approved in the first funding round
- received 269,000 ad clicks and 50 million impressions of the Let's Protect Respect campaign promoting respect and support for apprentices, trainees and employers to complete their training
- established the Queensland Care Consortium to strengthen the health and community services workforce, led by Jobs Queensland
- initiated consultation to inform a Clean Energy Workforce Roadmap (in development) and Queensland Resources Industry Workforce Plan.

### Workforce participation

- appointed Industry Workforce Advisors to provide workforce planning support to 1,800 small and medium sized enterprises across 11 industries
- expanded the Diverse Queensland Workforce program to support 2,500 migrants, refugees and international students into work, with 85% of exiting participants gaining employment
- released the \$8.3 million Paving the Way – First Nations Training Strategy
- partnered with Engineers Australia and Consult Australia to maximise employment opportunities for migrant engineers in Queensland.

### Local solutions

- partnered with the Local Government Association of Queensland to build workforce capacity in 24 rural and remote areas
- implemented increased apprentice and trainee travel subsidies, with 2,053 apprentices and trainees accessing the increased subsidy
- created a Jobs Queensland partnership with regions to develop 'Grow Your Own' workforce plans and initiatives.

### School-to-work transitions

- expanded Gateway to Industry Schools program to include the hydrogen industry, with 2,000 students across 32 schools to participate in a new hydrogen project
- provided through the School to Work Transitions program (S2WT) tailored solutions to support post-school outcomes for students at risk of not transitioning successfully from school, supporting 500 students per year for three years
- approved S2WT 2022–23 funding (Round 1) seeing seven successful projects with a total funding of \$999,000 (GST exclusive)
- appointed Regional School Industry Partnership Managers across Queensland.

### Skilling Queenslanders now and into the future

- commenced development on a new vocational education and training (VET) strategy for Queensland to guide investment and provide quality VET access across Queensland

- expanded the micro-credentialing program with a \$2.9 million funding round to provide increased access to industry-supported short courses
- expanded the Group Training Organisation (GTO) Pre-Apprenticeship Program to support up to 244 Queenslanders to undertake pre-apprenticeship training.

### Reimagining Workforce

- hosted Reimagining Workforce 2023, a forum that was held in Brisbane on 17 May 2023 for more than 500 business and employment leaders.

## Back to Work Program

- The Queensland Government committed \$140 million over four years from 2021–22 for the revitalised Back to Work program.
- Key highlights during the 2022–23 financial year included:
  - payments to 686 employers that assisted more than 822 previously unemployed Queenslanders who identified as belonging to one or more of the program’s target groups under the Employment Incentive Payments program with 89.7% of those employers being small businesses
  - the Growing Workforce Participation Fund approved eight projects worth \$1.3 million in funding to trial new approaches aimed at creating improved job matching, industry specific pre-employment pathways and the development of resources for employers and jobseekers from target groups.

### Back to Work program: Employer Incentive Payments snapshot from 1 July 2016 to 30 June 2023

<b>28,435</b>	<b>13,148</b>	<b>8,015</b>
<b>employees assisted</b> an increase of 822 (approximately 3%) on 2021–22	<b>employers supported</b> an increase of 290 (approximately 2.2%) on 2021–22	<b>apprentices &amp; trainees supported</b> an increase of 270 (approximately 3.5%) on 2021–22

In 2022–23, the department delivered other key employment initiatives including:

- **Social Enterprise Jobs Fund (SEJF)** initiative provided grant funding of \$1.89 million for 89 projects under the Social Enterprise Growth Grants program to support the business development and growth of Queensland social enterprises.
- **Queensland Business and Skilled Migration program**, in partnership with Trade and Investment Queensland (TIQ), supported delivery of the 2022–23 State Nominated Migration Program, including setting the skilled occupation lists that support state visa nominations.
- **Regional Jobs Committees (RJC)s** – Nine committees operating in Cairns, Townsville, Mackay, Bundaberg, Fraser Coast, Redlands, Gold Coast, Springfield and Toowoomba, have brought together local business, government, community leaders, training providers, industry representatives, high schools, and unions to develop collaborative place-based solutions to workforce challenges and opportunities.
- **Hydrogen Industry Workforce Development Roadmap 2022–2032** – This is the first dedicated workforce development plan for the hydrogen industry in the nation and sets a path to achieving a strong and adaptable workforce for a safe and thriving Queensland hydrogen industry.



## Case studies

### **Case study 1: Back to Work – Biloela Mechanical and Agricultural Services, Banana Shire LGA**

Locally owned family business Biloela Mechanical and Agricultural Services (BMAS) provides quality farm machinery and servicing to their farming communities. Business Manager and owner of BMAS, Shari, has recently had great success with the Queensland Government's Back to Work program when hiring labourer, Russell and apprentice mechanic, Travis.

'We wouldn't have been able to do this without the funding. As a small business, there is a risk factor when employing staff. A lot of time and money is invested into onboarding, PPE, safety equipment licenses and training,' Shari said.

Shari has been approved for additional funding under the Small Business Support Pool, which will support both Travis and Russel to complete essential training and to acquire licences to provide them with new opportunities and skills. Russel was previously long-term unemployed and is now a valued worker at BMAS, known for his good work ethic. Shari also praised Travis for his teamwork and willingness to give things a go.

The Back to Work Program also offers many non-financial wrap-around supports which Shari has utilised, such as the Harrison Tool for Retention.

'The tool is really good for establishing goals and a vision. Not many people do goal setting, and it would be really difficult to draw this information out without these reports,' Shari said.

'Russel is currently working part-time and is keen to be full-time. The reports have helped with considering the additional tasks he could do and the training needed to upskill and work towards working full-time,' Shari added.

By engaging with Back to Work, BMAS has made a choice to invest in its employees, thereby improving the chances of retaining skilled team members who it knows are a good fit for the business and ultimately saving time, energy and recruitment costs.

### **Case study 2: Back to Work – Qland Constructions, Logan LGA**

A Browns Plains based construction company, Qland Constructions, provides carpentry services including for new house builds and renovations. Company Director, Matthew Sweetman said that Back to Work provided him with the confidence and support to employ people who had been out of work for an extended period of time.

Both Kurt and Calem have commenced in apprenticeships with Qland Constructions and are enjoying this opportunity.

'They have both come a long way since they started with us. They are a great fit for our business, and we are hoping they will be long-term employees after their apprenticeships are finished,' Matthew said.

# Small Business

Helping small businesses to start, grow and thrive.

## Queensland small business: snapshot as at 30 June 2023

**473,000**

Small Businesses in Queensland and counting

**1,026,000**

Queenslanders employed by Small Businesses

In 2022–23, the department delivered the following key small business initiatives:

- **Big Plans for Small Business Grants** provided almost \$15 million in funding which assisted 2,400 small businesses to grow and thrive by committing funds to increase key capabilities, embrace innovation and capitalise on high-growth opportunities.
- **Business health check program** focussed on providing easy access to information on running a business through the Business Ready initiative to assist with resilience, resulting in 739 completions of the general Business Health Check, produced a further 2,573 completions of the Business Health Check after delivering five other 'health check' tools.
- **Small Business Wellness Package initiative** is supporting small businesses with financial and mental health challenges and provides:
  - support for the mental wellness of Queensland small business owners
  - promotion and improvement of access to available support services
  - business coaching to small business owners
  - access for small business owners to a Small Business Support Services Fund to address stresses such as cash flow, financial planning and minor works
  - 32 chambers of commerce support to develop and implement local mental health wellness initiatives that are tailored to small business owners and operators in their community, via the Chamber Wellness Fund
  - online resources, via the Business Chamber Queensland (BCQ) Business Wellness Program, for chamber members
  - nine specialist business wellness coaches across Queensland.
- **Queensland Small Business Month (QSBM) in May 2023** partnered with local stakeholders to deliver 31 events including some activities such as webinar sessions, a new Regional Networker Grant program and resulted in increased social media reach by 956% and web traffic to the BQ events calendar increased by 300% in May 2023.
- **Indigenous Business Month in October 2022** supported the celebration of the eighth annual occasion, with more than 60 events and activations across the state. The inaugural Queensland Indigenous Business Expo and Forum attracted 280 participants and showcased 71 First Nations business exhibitors.
- **Mentoring for Growth** achieved 320 mentoring sessions, with 310 unique businesses and mentors providing 510 volunteer hours of customised business mentoring.

- **Business Queensland website** delivered a revitalised BQ website, updating the business support information, with over 600 pages refreshed under the Business Ready project and operated the Small Business Hotline, which assisted 5,063 callers representing small businesses.
- **Free workforce planning course for Queensland small businesses** in which Jobs Queensland partnered with the University of the Sunshine Coast to deliver Queensland's first workforce planning micro-credential course. The course supported more than 200 participants to boost their capability to plan for, and then attract and retain, the workforce they need – now and into the future.
- **Paying businesses sooner – On-time Payment Policy** - DYJESBT continues to implement the government's On-time Payment Policy which commenced in July 2020 to ensure that registered small businesses supplying to the Queensland Government get paid faster. The objectives which Queensland Government agencies are required to meet include:
  - small businesses supplying to the Queensland Government are to be paid within 20 calendar days following receipt of a correct, undisputed invoice
  - if a small business does not receive payment within 20 calendar days, it can claim penalty interest
  - encouraging small businesses to register their details in the On-time Payment Small Business Register so they are identified in agency financial systems for faster payment.
- **Queensland Small Business Commissioner (QSBC)** continued to advocate 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 4 of this report.
- **The Queensland Small Business Advisory Council (QSBAC)** continued to provide a voice for Queensland small businesses, representing their interests to the Queensland Government. The membership reflects the breadth and depth of small business in Queensland, with members representing a wide range of industries and locations. The council met four times in the past year (August and November 2022; February and May 2023) and engaged, outside of meetings, to provide feedback on various government small business-related programs and strategies.
- **Rebuilding 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 Northern and Central Queensland monsoon and flooding of 20 December 2022 to 30 April 2023 led to:
  - the activation of disaster assistance loans and grants for impacted small businesses in seven local government areas
  - reaching out to local governments and small business communities to provide advice on disaster assistance loans and grants, support available through wellness coaches and small business financial counsellors and support the through Mentoring for Growth recovery program
  - continued support by delivering a \$14.5 million Small Business Recovery and Resilience Package, a jointly funded Australian and Queensland Government exceptional circumstances package under national Disaster Recovery Funding Arrangements.

## Case study

### Case study 1: Boost for Aquascape business

Pond Works is a specialist business for all things aquatic. Located in Moreton Bay, but servicing South East Queensland, the growing business was successful in applying for \$14,000 of grant funding under the Business Boost program.

The family-owned business delivered critical activities due to the grant funding to set the business up for efficiency and future growth. Integration of scheduling and logistics tasks to make the business work smarter, not harder, was achieved, as well as training for skill gaps in the business's current workforce.

'The whole team have benefited and learned since the start of the grant. It really has given us the direction we needed... we know where we want to head in the future. Without the planning that the grant has afforded us, we would not be able to do the future planning that we are now doing. We needed to automate and integrate everything so that we can now market our business for even more growth', business owner Mark said.

The business has employed an additional staff member and has plans to take on another employee in the near future.

# Training and Skills

Connecting people to quality training and skills.

Queensland Training: snapshot as at 30 June 2023

<b>224,000</b>	<b>134.3%</b>	<b>11.1%</b>
Government-funded students	Apprentice and trainee new commencements % growth between 2019–20 and 2021–22	Apprentice and trainee completions % growth since 30 June 2022

In 2022–23, the department delivered the following key training and skills initiatives:

- **Consultation commenced to develop a new VET Strategy** to build on the strengths of the state’s VET system and maximise outcomes from the government’s investment in skills and training.
- **Manufacturing Skills Queensland (MSQ)** was established to identify key skills required in the manufacturing sector and to strengthen and grow Queensland’s manufacturing sector. MSQ supports creation of secure local jobs and works with industry, workers, unions and businesses to deliver training programs and to prepare Queenslanders for work in the sector.
- **Fee-Free TAFE and Apprenticeships for under 25s** continues to support Queenslanders looking to upskill or change careers and has seen more than 38,000 recent school leavers and Queenslanders undertake one of 87 priority qualifications.
- **Queensland Training Ombudsman’s review** – The Queensland Training Ombudsman’s report, *Review of support provided to Queensland Apprentices and Trainees, with a focus on female apprentices in male-dominated occupations*, was released on 30 June 2022. All 12 recommendations were accepted with 7 complete and the remaining 5 on track to be completed by 2024. DYJESBT is coordinating the Queensland Government’s response to the review, with a focus on day-to-day support, workplace cultures, gender equality, engaging under-utilised labour market cohorts and dispelling negative perceptions around apprenticeships.
- **Campaign launched to promote respect for apprentices and trainees** – one of the key actions underway in relation to the Queensland Training Ombudsman’s review above, includes delivering an awareness campaign on respect and support, to be available to those who may need it. As a result, DYJESBT:
  - launched the ‘Let’s protect respect’ campaign during Queensland’s Women’s Week (5–12 March 2023)
  - delivered a new social change campaign to support apprenticeship and traineeship outcomes and drive lasting change, particularly for female apprentices, and women and girls aspiring for a great career in male-dominated occupations
  - provided information and advice, so apprentices, trainees and employers know their rights and obligations, and where to turn if things go wrong at work.
- **Strengthening training quality** has seen quality enhancements to the Skills Assure framework resulting in a significant reduction in compliance issues and complaints.

- **Gateway to Industry Schools (GISP) program** continues to provide school students with the opportunity to engage in industry-related activities, which will support them in their choice of career and further education and promote school–industry engagement in 11 industries considered priorities for Queensland’s economic growth, including a newly established hydrogen project. The program expanded to include the hydrogen industry in October 2022, expanded to include the School to Work Transitions (S2WT) program and had 633 memorandums of understanding with 331 Queensland schools, as at 30 June 2023.
- **Skilling Queenslanders for Work** continues to provide community-based organisations with wrap around or tailored support and assistance services to participants as they complete a vocational qualification up to Certificate III level. Specific key achievements in 2022–23 include:
  - 391 projects approved totalling \$84.4 million to assist 12,260 disadvantaged Queenslanders
  - 9,700 people assisted
  - 76% 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.
- **First Nations Training Strategy** has supported skills opportunities for Aboriginal and Torres Strait Island peoples for employment and also to meet local, community and regional workforce needs supported progress in achieving national *Closing the Gap* targets by improving training and employment participation. Under *Paving the Way*, 11 actions were implemented or are underway. DYJESBT regional offices promoted and supported information and guidance on programs and services to First Nations peoples and communities and five new Principal Indigenous Program Officers (PIPOs) were appointed to complement the work of two existing regional officers to provide tailored advice and support needed by community and First Nations businesses.
- **Micro-credentialing Program** continues to support for micro-credentials with funding of \$5.9 million over two years. The program provided successful applicants with up to \$250,000 to design, develop and deliver one or more micro-credentials aligned to specific industry skill gaps and supported skill outcomes. This program delivers increased labour productivity of enterprises through investment in technical, digital or other emerging issues not addressed through existing VET products.
- **Investing in world-class training facilities** continues to facilitate building new and refurbishing TAFE campuses to ensure that Queenslanders can access the training they need in modern, fit-for-purpose facilities. A number of key capital projects have been completed including significant progress of the \$100 million Equipping TAFE for our Future program and the Australian Government’s Revitalising TAFE Campuses Across Australia initiative, including the:
  - \$10 million new award-winning sustainable TAFE campus fit-out at Robina TAFE
  - \$6.5 million cyber security training facilities across Mooloolabah, Southbank and Cairns TAFE
  - \$3.4 million Agricultural Training Centre of Excellence at Bowen TAFE
  - \$2 million Aquaculture Training Centre at Cannonvale TAFE
  - \$1.32 million Nursing and Allied Health upgrades at Hervey Bay TAFE
  - \$1.1 million stage 2 Rural Centre of Excellence at Toowoomba
  - \$950,000 robotics lab at Southbank TAFE
  - \$11.8 million for a new Marine Centre of Excellence at Coomera TAFE.

## Case studies

### Case study 1: The Youth Development Foundation Limited – Community Connect

The Youth Development Foundation (YDF) was awarded \$499,600 under the SQW Work Skills Traineeships program to deliver the Community Connect project and employ 20 disadvantaged jobseekers for 20 weeks, focusing on young people aged 15 to 24 years. The trainees completed the Certificate I in Construction, Certificate II in Skills for Work and Vocational Pathways, first aid training, cardiopulmonary resuscitation training and if required, obtained a general construction induction training card, obtained a forklift licence and completed a Working at Heights course.

YDF develops and implements programs and strategies that help local at-risk youth with issues such as depression, violence, poverty, drug dependence and abuse, learning challenges, unemployment and loss of hope to become responsible and employment-ready. Each program is designed specifically to suit the needs of individuals. Participants work with experienced staff to identify barriers and develop an individual learning plan to assist in improving their personal circumstances, completing a qualification or gaining employment.

The project ended in December 2022. Twenty trainees were employed on the project, with 16 (80%) completing a nationally recognised qualification, and 17 (85%) gaining ongoing employment.

### Case study 2: Vocational Partnerships Group – RuralOps@VPG project

Vocational Partnerships Group (VPG) was awarded \$235,200 under the Community Work Skills project to deliver the RuralOps@VPG project. The objective of the project was to assist 66 disadvantaged jobseekers in Cairns to enhance their employment prospects in the high-demand industries of agriculture and horticulture. Participants completed the Certificate III in Rural Operations, while undertaking work experience with local employers.

At the start of the project, each participant developed an individual training and support plan to identify skills or support needs required to address any participation barriers. Work experience provided participants with the opportunity to apply learnings from the Certificate III in Rural Operations, explore career options, develop workplace capabilities and practise new skills in a supported environment. Wrap-around support included foundation skills, employability skills, life skills, individual case management, coaching, mentoring, industry visits, specialist services referrals and post-participation support for up to 10 weeks.

The project ended in late June 2023, with 66 people assisted, 52 (79%) completing accredited training, 40 (61%) gaining employment and 5 returning to school.

## Our People

Our dedicated employees are essential for delivering government commitments and services to Queenslanders. They support young people, keep communities safe, and make a difference to people's education and training, careers and working lives.

## Our ethics and employee relations framework

Our ethical values underpin our workplace culture and management of employees. During 2022–23, the department continued its commitment to maintaining high behavioural standards and supported employees to act with integrity through educational training and administrative policies and practices.

The *Industrial Relations Act 2016*, the *Public Sector Act 2022* and the following instruments comprise our employee relations framework:

- *Queensland Public Service Officers and Other Employees Award – State 2015*
- *General Employees (Queensland Government Departments) and other Employees Award – State 2015*
- *Youth Detention Centre Employees Award – State 2016*
- *State Government Entities Certified Agreement 2019*
- *Child Safety and Youth Justice Certified Agreement 2021*
- *Youth Detention Centre Certified Agreement 2019*

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

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

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.

During 2022–23, the department actively consulted with the Together Union and the Australian Workers' Union through the Agency Consultative Committee and related consultative forums regarding employee and industrial relations matters, including flexible workplace arrangements and workplace change.

## Maintaining employee wellbeing

The department's Flexible Work policy and procedures include provision for flexible working hours, leave arrangements, part-time work and job sharing.

During 2022–23, the department continued to roll-out health, safety, and wellbeing support initiatives for its employees and encouraged participation through a range of activities, including:

- provided free influenza vaccination program and flexible working arrangements to attend vaccinations during work hours
- facilitated the works of the Mental Health Support Officers Network, which provides a comprehensive approach to mental health and wellbeing for employees experiencing mental health issues



- established new safety, health and wellbeing roles in youth detention centres to improve workplace health, safety and wellbeing and reduce injuries and illness
- delivered support services through Staff Wellness Officers in each Youth Detention Centre and provided vicarious trauma and mental, health and wellbeing early intervention programs across all youth justice services
- delivered personal safety training to frontline Youth Justice Services employees
- undertook regular internal communications through our wellbeing newsletters for employees and campaigns throughout Safe Work Month and Mental Health Week each October
- continued to build awareness and to support a diverse and inclusive organisation through celebrating and promoting annual recognition events including National Aborigines and Islanders Day Observance Committee (NAIDOC) Week, Disability Action Week, Harmony Week, IDAHOBIT Day, R U Ok? Day, and International Women's Day
- continued to educate and inform our employees through *Diversity in Focus* campaigns on Aboriginal and Torres Strait Islander peoples, people with disability, cultural diversity, and LGBTQIA+ to create an informed and inclusive workplace
- provided information resources assisting employees with ergonomics to suit individual needs in the workplace
- implemented rehabilitation and return to work policy and procedures and supported employees and their managers/supervisors on their return to work from injury and illness
- 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
- provided an Aboriginal and Torres Strait Islander employee support line via our employee assistance provider.

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**

<b>Total FTE for Department of Youth Justice, Employment Small Business and Training</b>	<b>FTE</b>
Total FTE <sup>1</sup>	2,392

Note:

1. Data is based on Minimum Obligatory Human Resource Information full-time equivalents for the fortnight ending 30 June 2023 (the last full pay period for 2022–23).

## Valuing inclusion and diversity in our workplace

**Table 2. Target Group data**

<b>Gender</b>	<b>Number (Headcount)<sup>1,2</sup></b>	<b>Percentage of total workforce (Calculated on headcount)</b>
Woman	1,587	61.3%
Man	999	38.6%
Non-binary	3	0.1%
<b>Diversity Groups</b>	<b>Number (Headcount)</b>	<b>Percentage of total workforce (Calculated on headcount)</b>
Women	1,587	61.3%
Aboriginal Peoples and Torres Strait Islander Peoples	151	5.83%
People with disability	83	3.2%
Culturally and Linguistically Diverse – Born overseas	144	5.56%
Culturally and Linguistically Diverse – Speak a language at home other than English (including Aboriginal and Torres Strait Islander languages or Australian South Sea Islander languages)	101	3.9%
<b>Women in Leadership Roles</b>	<b>Number (Headcount)</b>	<b>Percentage of total Leadership Cohort (Calculated on headcount)</b>
Women in Leadership Roles <sup>3</sup>	57	59.98%

### Notes:

1. Data is based on Minimum Obligatory Human Resource Information full-time equivalents for the fortnight ending 30 June 2023 (the last full pay period for 2022–23).
2. People from culturally and linguistically diverse backgrounds are reported for the first time, replacing the People from a non-English speaking background from 1 July 2021.
3. Women in Leadership Roles are considered those positions that are Senior Officer and equivalent and above.

## Strengthening our workplace culture

### Strategic workforce planning

During 2022–23, the department continued to implement, review and update effective 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 Service Plan 2022–23, ensuring people with disability have access to the same departmental services, information and facilities that are available to the broader community. During the year, DYJESBT:

- continued the department's membership with the Diversity Council of Australia who provide important resources and webinars to educate and inform our employees
- supported Queenslanders from diverse backgrounds to access VET
- supported Skills Assure suppliers with embedding the Inclusive Learning: A Way Forward framework by conducting scheduled audits

- delivered mandatory disability awareness training and implemented a suite of diversity and inclusion modules for youth justice staff
- ensured our policies and programs reflected the needs and interests of people with disability and their carers
- promoted assistive technology that can support the participation of people with disability in VET
- delivered Diversity in Focus – People with Disability education and information
- recognised Disability Action Week with stories from people with lived experience
- delivered unconscious bias training for our workforce
- continued to support and develop our volunteer Mental Health Support Officers and our Diversity and Inclusion Network
- implemented an inclusive language guide for recruitment and selection.

We continued to implement the Cultural Capability Action Plan 2019–2023 as part of the Queensland Government Cultural Capability Framework. 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 initiative aims 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. Within the Youth Justice portfolio, staff undertook mandatory ‘Starting the Journey’ training.

We developed the Strategic Workforce Plan 2022–24, implementation of which commenced in 2022–23 and focused on talent acquisition, a contemporary and agile workforce, our workplace culture, and growing our leaders. We implemented regional workforce plans for the youth justice portfolio providing targeted strategies for priority workforce challenges. The Aboriginal and Torres Strait Islander Workforce Strategy 2019–2023 continued to be a focus ensuring the youth justice workforce understand Aboriginal and Torres Strait Islander perspectives and needs and can deliver responsive services.

We developed key strategies to drive diversity and inclusion, capability development, reward and recognition, talent acquisition, and wellbeing to ensure the department’s workforce is diverse, agile, and capable and prepared for the current and future world of work.

Executive and senior leaders were supporting and driving engagement across key workforce management focus areas to implement Queensland public sector priorities and initiatives.

### **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 our policies, procedures, and online mandatory training. During 2022–23, employee performance continued to be managed through annual performance and development plans.

The department developed workshops on building a high-performance culture and positive performance management and delivered these to workgroups and leaders across the State to ensure the department continues to focus on our performance as individuals and teams.

In supporting a high-performance culture, onboarding new employees and those transferring between teams we provide the information they require 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 collective performance against its Strategic Plan 2022–26. This included the department's response rate to the annual Working for Queensland employee opinion survey (target 85 per cent). The September 2022 result (82 per cent) showed that, as a department, we maintained a similar high response rate reached in 2021, at 81 per cent. This is 38 per cent higher than the overall Queensland Public Sector response rate of 43 per cent.

Overall, the department's survey results were positive, showing there were improvements compared to previous years in workplace factors such as job empowerment, workload and health, work group, manager, anti-discrimination, and innovation.

### **Encouraging learning and preparing for the future of work**

During 2022–23, employees were actively supported and assisted with continued learning and development as part of their annual performance and development planning. The MyCareer learning management and the iLearn learning management systems provided online mandatory training for employees to keep their knowledge current and remain informed on developments.

Other activities undertaken to invest in the capability of leaders included the implementation of everyday conversations for healthy minds online training to support the development of a mentally healthy workforce.

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

- developed a foundational Capability Development Strategy 2022–24 to drive contemporary learning and development across the department
- continued to deliver a diverse range of face-to-face and eLearning professional development opportunities for frontline staff including leadership development, Q&A sessions for frontline managers, education sessions on various workforce topics
- continued to deliver Aboriginal and Torres Strait Islander Cultural Capability training and to support our Aboriginal and Torres Strait Islander employees to participate in the sector's Career Pathway program for development and leadership opportunities
- continued the delivery of cultural capability training and awareness sessions
- provided tailored mentoring and career progression programs for Aboriginal and Torres Strait Islander employees
- offered a new program of leadership and performance professional development programs from leading education providers to frontline Youth Justice Services employees
- through the Small Business Engagement Framework project, invested in developing the capabilities of our frontline, regional staff in the employment, small business and training portfolio
- continued to develop and analyse our workforce data to understand trends and workforce issues in supporting workforce 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, strategic workforce planning
- continued our Senior Leadership Network as a forum for departmental senior officers to share knowledge and innovative practices and harness contemporary perspectives.

### **Recognising employee excellence**

During 2022–23, DYJESBT developed the Reward and Recognition Strategy 2022–24, to be implemented in the latter half of 2023. This strategy will provide a strong foundation for the ongoing informal and formal recognition of employees and promote excellence in service.

The department continued to recognise our employees and their ongoing commitment to public service through the presentation of public service medallions acknowledging ongoing service to the sector.

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

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

# Our Governance

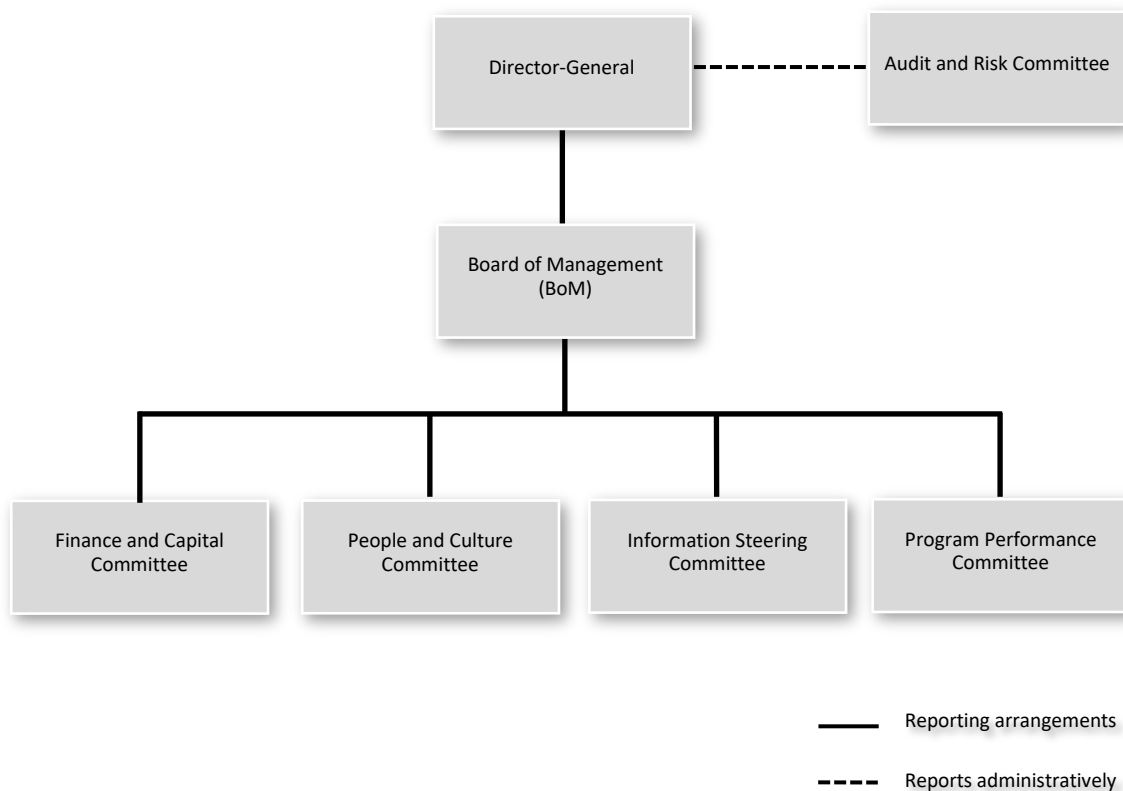
We have internal accountability mechanisms in place to ensure governance operates effectively and transparently. These mechanisms enable us to support effective and efficient service delivery that is strongly aligned with our vision, purpose, and strategic objectives.

We are committed to supporting good governance. As such, we regularly review and update our Governance Framework, which outlines the principles, elements, and mechanisms we use.

We maintain a corporate governance structure using governance forums that provide direction to our Board of Management and Executive Leadership Team. These governance committees and, where relevant, supporting sub-committees meet regularly to advise and support the Director-General and senior executives in discharging their responsibilities and ensuring that departmental priorities and objectives are met.

## Governance framework

The department’s governance arrangements are shown below.



## Board of Management

The Board of Management authorises strategic, budget, and key operational decisions affecting DYJESBT and provides the Director-General with advice on issues relating to strategic policy, whole of department planning, corporate governance, performance management, service delivery, culture and values.

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 decision-making and to agree on departmental direction for operational issues
- approving new departmental policies, procedures and performance objectives
- approving the annual budget, budget papers and budget reviews
- monitoring and approving the progress of major expenditure
- 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, Queensland Treasury, the Department of Premier and Cabinet, the Queensland Public Sector Commission, and other Queensland Government agencies
- reviewing and approving recommendations to amend the department's service delivery statements and performance targets
- monitoring and reviewing existing projects, assessing and approving new projects that may impact the delivery of key departmental objectives.

## **Membership**

Chair – Director-General

Standing Members:

- A/Associate Director-General, Employment, Small Business and Training
- A/Deputy Director-General, Youth Justice
- Deputy Director-General, Corporate Services.

Associate Members:

- Head of Corporate, Corporate Services
- Chief Information Officer, Corporate Services
- Chief Human Resources Officer, Corporate Services
- Chief Finance Officer, Corporate Services

## **Executive Leadership Team**

The Executive Leadership Team (ELT) facilitates discussion and decision-making on initiatives and issues, with the purpose of determining the strategic and cultural direction for the department.

The ELT's responsibilities include:

- to be the 'thought leadership' forum focusing on the strategic direction of the department including implementation and alignment of the Strategic Plan and its objectives
- to design and maintain oversight on strategies that influence government
- to advise the Director-General on the strategic direction, goals, and overall performance of the department
- to maintain awareness of mega trends and their impact on departmental operations
- to focus on the culture of the organisation.

## **Membership**

Chair – Director-General

Standing Members

- A/Associate Director-General, Employment, Small Business and Training
- A/Deputy Director-General, Youth Justice
- Deputy Director-General, Corporate Services
- Deputy Director-General, Engagement
- Deputy Director-General, Strategy
- Senior Executive Director, Workforce and Practice
- Senior Executive Director, Strategy, Performance and Commissioning
- Senior Executive Director, Youth Detention Operations and Reform
- Senior Executive Director, Regions and Statewide Services

### **Bob Gee APM BBus MPA GAICD**

#### **Director-General**

Robert (Bob) Gee is the Director-General for the Department of Youth Justice, Employment, Small Business and Training, assuming the role in late May 2023. Previously, Bob served as Director-General for the Department of Agriculture and Fisheries and the Department of Youth Justice. Bob was also Chair of the Family Responsibilities Board, Deputy Police Commissioner, Regional Operations in the Queensland Police Service, the State Disaster Coordinator, a board member of the Queensland Reconstruction Authority, and the QPS Indigenous Champion. Bob is the Government Champion for Doomadgee.

Bob has diverse professional experience, having worked in central agencies, a university lecturer, and as a consultant across various industries. Additionally, he has held roles as a Chief Information Officer and served as a Commissioned Officer of Police for over two decades. Bob was a recipient of the Harvard Club of Australia Sir James Wolfensohn Scholarship in 2013.

### **Steve Koch BEcon BBus (Mgmt)**

#### **Acting Associate Director-General – Employment, Small Business and Training**

Steve Koch has over 20 years' experience in designing and delivering economic development programs and initiatives for government. Steve has a strong background in vocational education and training (VET), employment, and small business, having held executive roles in departments responsible for these sectors over the past decade.

In Steve's current role, he leads DYJESBT's suite of employment, small business and training programs and services to the community. He is passionate about the economic and social outcomes that these initiatives deliver, particularly the life-changing impact for individuals.

He is also a member of the Board of Directors of the Building and Construction Industry Training Fund (BCITF Qld) trading as Construction Skills Queensland as well as the Board of Directors of Manufacturing Skills Queensland Limited. Steve holds a Bachelor of Economics and a Bachelor of Business Management from the



University of Queensland.

### **Bernadette Harvey BA (Welfare and Psych), BSc (Psych), LLB, EMPA**

#### **Acting Deputy Director-General – Youth Justice**

Bernadette Harvey commenced working for government in 1992, as a childcare officer working in frontline delivery of statutory child protection and juvenile justice services. Since that time, Bernadette has worked in a variety of direct service delivery and leadership positions across Central Queensland, South West Queensland and North Queensland and central office roles.

Bernadette worked as the Executive Director, Child and Family Operations before commencing as Regional Executive Director in South West Queensland in 2018 and in North Queensland in 2022.

Bernadette has previously acted in the role of Deputy Director-General, Corporate services and Deputy Director-General role for Youth Justice Services with the Department of Children, Youth Justice and Multicultural Affairs. Bernadette possesses a Bachelor of Arts (Psychology/Welfare Studies), Bachelor of Science (Psychology), Bachelor of Laws and an Executive Masters in Public Administration.

### **Leighton Craig LLB**

#### **Deputy Director-General – Corporate Services**

Leighton Craig has more than 25 years' experience in the public sector, working in a diverse range of policy and project areas including law and justice policy, disaster relief, legal and constitutional services, community engagement on significant infrastructure and Aboriginal and Torres Strait Islander cultural heritage.

Leighton joined the department in 2021 and is responsible for corporate services, strategic communications and executive services. He previously served as Cabinet Secretary with responsibility for supporting the operation of the Queensland Government's Cabinet system, legislation program and performance management framework. He was a Clerk of the Executive Council for 11 years and has been involved in the transitional governance arrangements for successive Queensland governments.

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.

### **Chantal Llora BA BCrim**

#### **Deputy Director-General – Engagement (Employment, Small Business and Training)**

Chantal Llora is a dynamic and visionary leader with over 20 years of strategic engagement and leadership experience across the Commonwealth and Queensland governments. She has held various positions, including Assistant Secretary G20 Taskforce for Prime Minister and Cabinet and most recently in the Department of Resources. Chantal's expertise in communication, engagement, HR and policy, coupled with her creative and visionary

approach, has made her an asset to the Executive Leadership team and in her role leading the Engagement Division.

She is passionate about honest leadership that delivers long-lasting results, achieved through a collaborative style and strong strategic capabilities.

## **Rebecca Atkinson**

### **Deputy Director-General – Strategy (Employment, Small Business and Training)**

Rebecca Atkinson joined DYJESBT in November 2020 to lead the Strategy division. In this role, Rebecca is 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.

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.

# Risk management and accountability

The *Financial Accountability Act 2009* requires the 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, and supporting, 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.

The ARC operates under its approved charter that outlines the committee's duties and responsibilities and has due regard to the *Queensland Treasury's Audit Committee Guidelines: Improving accountability and performance*.

During 2022–23, the ARC comprised the following members:

- Chair (external, independent) – Karen Prentis
- Member (internal) – Steven Koch, Acting Associate Director-General
- Member (internal) – Chantal Llorca, Deputy Director-General
- Member (internal) – Rebecca Atkinson, Deputy Director-General
- Member (internal) – Leighton Craig, Deputy Director-General

In 2022–23, the ARC met six times – four general meetings and two meetings 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 2022–23 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 three-year strategic and 2023–24 annual internal audit plans
- 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 \$11,000 (inclusive of GST) in 2022–23 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.

The department's Internal Audit operates under the powers pursuant to section 78 of the *Financial Accountability Act 2009* and the approved Internal Audit Charter. A key priority is to assist the Director-General to effectively discharge accountabilities under section 61 of the *Financial Accountability Act 2009*, by providing 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.

To achieve this and ensure compliance with section 26 of the Financial and Performance Management Standard 2019, Internal Audit developed the 2022–25 Three-year Internal Audit Plan, 2022–23 Annual Internal Audit Plan and 2023–24 Annual Internal Audit Plan. These plans were developed in consultation with management and key stakeholders, and in alignment with key risks and priorities of the department. The internal audit plans were endorsed by the ARC and approved by the Director-General.

The ARC monitors the performance of the internal audit function. Progress against the 2022–23 Annual Internal Audit Plan was reported to the ARC on a quarterly basis. The completed internal audit reports include audit findings and associated recommendations for business improvement. Internal Audit monitors whether agreed remedial actions to address audit recommendations have been implemented and reports its findings quarterly to the ARC.

Internal Audit has provided advisory services in response to management requests and has maintained an effective working relationship with the Queensland Audit Office.

## External scrutiny

The department is subject to a number of external review bodies and oversight agencies. Throughout 2022–23, Queensland Government agencies conducted performance management system audits and whole-of government audits.

More information, including reports tabled by relevant external review bodies, is available on the following websites:

- Child Death Review Board – [www.cdrb.qld.gov.au/reports-and-publications/](http://www.cdrb.qld.gov.au/reports-and-publications/)
- Coroners Court of Queensland – [www.courts.qld.gov.au/about/publication](http://www.courts.qld.gov.au/about/publication)
- Crime and Corruption Commission – [www.ccc.qld.gov.au/publications](http://www.ccc.qld.gov.au/publications)
- Office of the Information Commissioner – [www.oic.qld.gov.au/publications/reports](http://www.oic.qld.gov.au/publications/reports)
- Queensland Audit Office – [www.gao.qld.gov.au/reports-resources/reports](http://www.gao.qld.gov.au/reports-resources/reports)
- Queensland Family and Child Commission – [www.qfcc.qld.gov.au/about-us/publications](http://www.qfcc.qld.gov.au/about-us/publications)
- Queensland Ombudsman – [www.ombudsman.qld.gov.au/](http://www.ombudsman.qld.gov.au/)
- Queensland Human Rights Commission – [www.qhrc.qld.gov.au/resources/reports](http://www.qhrc.qld.gov.au/resources/reports)

- Queensland Parliament – [www.parliament.qld.gov.au](http://www.parliament.qld.gov.au)
- Office of the Public Guardian – [www.publicguardian.qld.gov.au/aboutus/publications](http://www.publicguardian.qld.gov.au/aboutus/publications)
- Queensland Training Ombudsman – [www.trainingombudsman.qld.gov.au/reports/](http://www.trainingombudsman.qld.gov.au/reports/)
- Youth Detention Inspectorate – [www.ombudsman.qld.gov.au/detention-inspection](http://www.ombudsman.qld.gov.au/detention-inspection).

## Complaints management

The department provides a complaints management system, in accordance with section 219A of the previously in force *Public Service Act 2008*, and since 1 March 2023, under section 264 of the *Queensland Public Sector Act 2022*, which requires all Queensland Government departments to implement an effective complaints management system that complies with any Australian Standard concerning the handling of customer complaints.

In 2022–23, the department received 42 customer complaints from external customers, of which:

- 38 related to Employment, Small Business, Training and Skills
- 4 related to Youth Justice Services.

In 2022–23, the department also received 216 internal complaints relating to youth detention centres regarding issues affecting detained young people.

In accordance with section 264 of the *Queensland Public Sector Act 2022*, by 30 September each year we are required to publish the following information on the department's website:

- number of customer complaints received by the department in the year
- number of those complaints resulting in further action
- number of those complaints resulting in no further action.

In 2022–23, from the total 42 external customer complaints received, there were:

- 12 resulting in further action
- 19 resulting in no further action
- 11 pending – review still underway.

In 2022-23, from the total of 216 internal complaints relating to youth detention centres regarding issues affecting detained young people, there were:

- 140 resulting in further action
- 48 resulting in no further action
- 28 pending – review still underway.

### Human rights complaints

In 2022–23, none of the 258 complaints were assessed as formal human rights complaints from the Queensland Human Rights Commission. There were 152 complaints received which were identified by the department where human rights were engaged – of which there were:

- 56 investigated and unsubstantiated
- 42 resolved through local management action
- 33 investigation is ongoing

- 17 investigation identified as frivolous or insufficient evidence to support allegation
- 4 investigated and substantiated.

This information can be found at: [www.publications.qld.gov.au](http://www.publications.qld.gov.au).

## Human rights

The department continued to implement the *Human Rights Act 2019* (HRA) and incorporate human rights considerations into its day-to-day operations. Building on past foundational actions, the department continued to be committed to respecting, protecting, and promoting human rights in our decision-making and actions. Section 97(2)) of the HRA requires that the department reports annually on details of actions taken during 2022–23 to further the objectives of the HRA, including details of reviews we undertook of policies, practices or services undertaken in relation to their compatibility with human rights.

The department is continuing to implement the HRA by delivering on this commitment, while managing day-to-day operations for skilling Queenslanders, assisting employment outcomes, backing small businesses, and addressing the drivers of youth crime and better supporting young people, to support the wellbeing of Queenslanders and their communities. To further objectives of the HRA during 2022–23 the department has:

- continued to act and make decisions compatibly with human rights
- incorporated human rights into the department’s strategic planning processes
- ensured portfolio statutory bodies were aware of their obligations
- ensured human rights are central to the development of policy and legislation
- provided information about the HRA and compliance to Skills Assure providers via the Contract Connector newsletters
- raised awareness about human rights, including through articles about the HRA, promoting Human Rights Week (1 – 10 December 2022), communicating the availability of human rights resources in the internal employees’ newsletter and on the intranet, and circulating the Human Rights Newsletter
- ensured the mandatory online training module was available and completed by employees, including by new employees as part of the induction process
- maintained a dedicated human rights intranet page
- ensured any potential human rights complaints were managed through effective and accountable internal processes
- included human rights obligations in relevant contract processes
- ensured human rights compatibility was considered as part of decision-making in every executive briefing note.

## Information systems and recordkeeping

The department is committed to meeting its recordkeeping requirements under the:

- *Public Records Act 2002* (Qld)
- Financial and Performance Management Standard 2019
- Queensland Government Enterprise Architecture
- Records Governance Policy
- whole-of-government information policies and standards.

The department implements appropriate strategies, processes, applications, and tools to ensure records of business activities are made and kept for as long as required, in accordance with the approved records retention and disposal schedules.

### **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
- maintained published policies and guidelines that are accessible by all employees
- promoted Privacy Awareness Week to reinforce privacy rights, and employees' responsibilities and protection of information.

### **Improvements**

During 2022–23, several milestones were delivered in changing the way we manage information in the department. Highlights included:

- completion of the staged migration of users of multiple business units and sites from the Department of Education network to the DYJESBT network
- the commencement of the replacement of legacy systems as part of the VET Modernisation and Transformation Program.

### **Managing digital records and systems**

As a commitment to good records and systems governance, the department is:

- implementing department-wide tools and processes to support collaborative, accurate and effective record-keeping including the procurement of a new electronic Document and Records Management System (eDRMS)
- planning for the rollout of a replacement Customer Relationship Management system (CEDRIC) underway with go-live due in late 2023
- commencing the development of an ICT Technical Roadmap and Future Operating Plan that identifies and describes key priorities for the ICT portfolio.

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

## National agreements and reform initiatives

During 2022–23, the department continued to lead the Queensland Government management of the *National Agreement for Skills and Workforce Development*.

The department continued to support training programs to meet the objective of the agreement, which is to achieve a VET system that delivers a more productive and highly skilled workforce, enabling all working age Australians to participate effectively in the labour market and contribute to Australia's economic future.

In August 2022, National Cabinet agreed to a vision and guiding principles for longer term national skills reforms, underpinned by a new National Skills Agreement to commence from 2024. Discussions on the proposed new National Skills Agreement commenced in late 2022 and continued into 2023 with Skills Ministers agreeing to progress shared reform directions to give effect to the vision and guiding principles for a new National Skills Agreement.

## Queensland Government

During 2022–23, the department was responsible for leading and providing significant contribution to the following whole-of-government programs and initiatives:

- Closing the Gap – Target 11 – reducing the rate of Aboriginal and Torres Strait Islander young people in detention by at least 30%
- Women's Safety and Justice Taskforce – Hear her voice – reports one and two
- Towards ending homelessness for young Queenslanders 2022–2027
- Better Care Together – a plan for Queensland's state-funded mental health, alcohol and other drug services to 2027
- Queensland Framework to Address Sexual Violence – First Action Plan
- Domestic and Family Violence Integrated Systems Action Plan
- Not Now, Not Ever: Domestic Violence Prevention Strategy (2016–2026)
- Good people. Good jobs: Queensland Workforce Strategy 2022–2032
- Back to Work program supporting eligible employers and jobseekers
- Skilling Queenslanders for Work initiative, supporting Queenslanders back into work
- Queensland Apprenticeship and Traineeship system
- Big Plans for Small Business Strategy 2021–23
- Business Queensland website, communicating government business services online
- Skills for Queensland: Great training for quality jobs strategy
- Queensland Social Enterprise Strategy
- On-time Payment Policy
- Queensland Small Business Procurement Commitment.



## **Queensland Business Launchpad**

- During 2022–23, the department completed development of the Queensland Business Launchpad as part of the Small Business Regulatory Reform Agreement between the Australian and Queensland governments.
- The Business Launchpad helps business intenders and operators discover, meet and manage government regulatory obligations when starting or running their business.
- Following its final produce release on 30 June 2023, the Business Launchpad tool is now available to all industries in every location in Queensland. With all businesses, industries and locations covered, the Business Launchpad is a key reference enabling new and existing businesses to easily find, action and store relevant licencing and permit requirements.
- Since March 2021, over 14,439 users to 30 June 2023 have created business profiles which equates to \$44.7 million in time savings benefit to business.

## **12-month Skills Agreement**

During 2022–23, the department worked with the Australian Government to implement the 12-month Skills Agreement across Queensland. The 12-month agreement is a joint Australian and state and territory government initiative which saw an additional \$107.9 million in federal funding allocated to Queensland to build upon successful existing State programs for Fee-Free TAFE and free apprenticeships and focus on supporting priority cohorts into training.

The Australian and Queensland Governments are investing more than \$202 million in joint funding under the agreement to deliver fee-free training in priority industry areas, including ancillary and student support services. These training places are providing Queenslanders, including those in rural, remote and regional areas, with the skills needed to find employment, re-enter the labour market or explore new work opportunities. As at 30 June 2023, there have been over 38,000 enrollments in the Fee-Free TAFE training program in Queensland.

# Appendices

## Appendix 1 – 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	5
Accessibility	<ul style="list-style-type: none"> <li>Table of contents</li> <li>Glossary</li> </ul>	ARRs – section 9.1	4 53
	<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	3
General information	<ul style="list-style-type: none"> <li>Introductory Information</li> </ul>	ARRs – section 10	9-14
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	10-11, 48-49
	<ul style="list-style-type: none"> <li>Agency objectives and performance indicators</li> </ul>	ARRs – section 11.2	9-11, 18-31
	<ul style="list-style-type: none"> <li>Agency service areas and service standards</li> </ul>	ARRs – section 11.3	54-59
Financial performance	<ul style="list-style-type: none"> <li>Summary of financial performance</li> </ul>	ARRs – section 12.1	15-17
Governance – management and structure	<ul style="list-style-type: none"> <li>Organisational structure</li> </ul>	ARRs – section 13.1	14
	<ul style="list-style-type: none"> <li>Executive management</li> </ul>	ARRs – section 13.2	39-42
	<ul style="list-style-type: none"> <li>Government bodies (statutory bodies and other entities)</li> </ul>	ARRs – section 13.3	60-62
	<ul style="list-style-type: none"> <li>Public Sector Ethics</li> </ul>	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	32
	<ul style="list-style-type: none"> <li>Human Rights</li> </ul>	<i>Human Rights Act 2019</i> ARRs – section 13.5	45-46
	<ul style="list-style-type: none"> <li>Queensland public service values</li> </ul>	ARRs – section 13.6	9
Governance – risk management and accountability	<ul style="list-style-type: none"> <li>Risk management</li> </ul>	ARRs – section 14.1	43
	<ul style="list-style-type: none"> <li>Audit committee</li> </ul>	ARRs – section 14.2	43
	<ul style="list-style-type: none"> <li>Internal audit</li> </ul>	ARRs – section 14.3	44
	<ul style="list-style-type: none"> <li>External scrutiny</li> </ul>	ARRs – section 14.4	44-45

Summary of requirement		Basis for requirement	Annual report reference
	<ul style="list-style-type: none"> <li>• <b>Information systems and recordkeeping</b></li> </ul>	ARRs – section 14.5	46-47
	<ul style="list-style-type: none"> <li>• <b>Information Security attestation</b></li> </ul>	ARRs – section 14.6	47
<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	34-37
	<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	37
<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. 66
	<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. 66

## Appendix 2 – Glossary

Acronym	Title
ADHD	Attention-deficit/hyperactivity disorder
ARC	Audit and Risk Committee
BCITF	Building and Construction Industry Training Fund
BQ	Business Queensland
COVID-19	Coronavirus Disease 2019
DYJESBT	Department of Youth Justice, Employment, Small Business and Training
ELT	Executive Leadership Team
GISP	Gateway to Industry Schools Program
GST	Goods and service tax
GTO	Group training organisations
HR	Human Resources
HRA	<i>Human Rights Act 2019</i>
IBI	Intensive Bail Initiative
ICM	Intensive Case Management
ICT	Information Communication Technology
IDAHOBIT	International Day Against Homophobia, Biphobia and Transphobia
LGA	Local government area
PIPO	Principal Indigenous Program Officer
Qld	Queensland
QSBM	Queensland Small Business Month
QSBC	Queensland Small Business Commissioner
QSBAC	Queensland Small Business Advisory Council
QWS	Queensland Workforce Strategy 2022–2032
RJC	Regional Jobs Committee
RTO	Registered training organisations
S2WT	School to Work Transitions
SATs	School based Apprenticeships and Traineeships
SEJF	Social Enterprise Jobs Fund
SETP	Southbank Education Training Precinct Public Private Partnerships
SEJF	Social Enterprise Jobs Fund
SQW	Skilling Queenslanders for Work
TAFE	Technical and further education
VET	Vocational Education and Training
VPG	Vocational Partnerships Group
YDF	Youth Development Foundation

## Appendix 3 – Service areas and standards

The department’s vision is for safe and empowered communities, where skilled Queenslanders and vibrant small businesses grow Queensland’s economy.

The department’s purpose is to keep the community safe though preventing offending and reducing reoffending by young people while building Queensland’s future workforce through connecting all Queenslanders to learning opportunities, quality training, employment opportunities and by helping small businesses to start and thrive.

In 2022–23, the department has been working towards its strategic objectives:

- Youth Justice
- Employment
- Small Business
- Training and skills

<b>Youth Justice<sup>1</sup></b>		
<b>Service standards</b>	<b>2022–23 Target/Est.</b>	<b>2022–23 Actual</b>
<b>Effectiveness measures</b>		
Percentage of orders supervised in the community that are successfully completed:		
• Aboriginal and Torres Strait Islander young offenders	85%	80%
• Other young offenders	89%	88%
• All young offenders	87%	82%
Proportion of young offenders who have another charged offence or are referred by Queensland Police Service to a Restorative Justice Conference within 12 months of an initial finalisation for a proven offence <sup>2</sup>	66%	69%
<b>Efficiency measure</b>		
Youth detention centre utilisation rate	92%	97%
Notes:		
1. This service area was previously presented in the former Department of Children, Youth Justice and Multicultural Affairs <i>2022–23 Service Delivery Statements</i> .		
2. This service standard is also presented in the Queensland Police Service <i>2023–24 Service Delivery Statements</i> .		

<b>Employment</b>		
<b>Service standards</b>	<b>2022–23 Target/Est.</b>	<b>2022–23 Actual</b>
<b>Effectiveness measures</b>		
Overall customer satisfaction with employment programs.	90%	95%
<b>Efficiency measure</b>		
Administrative cost per \$1,000 of employment grant programs <sup>1</sup>	\$103.80	\$92.11
<p>Note:</p> <p>1. The wording of this service standard has been changed from the 2022–23 <i>Service Delivery Statements</i> to clarify that the service standard demonstrates the efficiency of delivering grant programs that address workforce challenges and support disadvantaged Queenslanders into work in Queensland. It was previously worded 'Administrative cost per \$1,000 of employment program support'.</p>		

<b>Small Business</b>		
<b>Service standards</b>	<b>2022–23 Target/Est.</b>	<b>2022–23 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%	99%
Percentage of businesses assisted by small business grant programs that report a projected increase in either employment, turnover, or profitability <sup>1</sup>	98%	96.5%
Average score out of 5 by customers for how easy it is to use the Business Queensland website	3.5	3.3
<b>Efficiency measure</b>		
Administrative cost per \$1,000 for small business grant programs <sup>2</sup>	\$130.60	\$124.26
<b>Notes:</b> 1. The wording of this service standard has been changed from the <i>2022–23 Service Delivery Statements</i> to clarify that the service standard demonstrates the effectiveness of delivering small business grants programs to support small businesses to grow and thrive. The service standard was previously worded ‘Percentage of businesses assisted by small business programs that report a projected increase in either employment, turnover or profitability.’ 2. The wording of this service standard has been changed from the <i>2022–23 Service Delivery Statements</i> to clarify that the service standard demonstrates the efficiency of delivering small business grants programs to support small businesses to grow and thrive. The service standard was previously worded ‘Administrative cost per \$1,000 for program support’.		



<b>Training and Skills</b>		
<b>Service standards</b>	<b>2022–23 Target/Est.</b>	<b>2022–23 Est. Actual</b>
<b>Effectiveness measures</b>		
Proportion of all attempted competencies successfully completed	93%	90.8%
Proportion of all Queenslanders with higher qualifications	65%	67.4%
Proportion of vocational and education training (VET) graduates in employment or further study <sup>1</sup>	87%	81.6%
Number of completions – Apprenticeships <sup>2</sup>	11,500	9,800
Number of completions – Traineeships	13,500	14,000
Number of completions – school-based apprenticeships and traineeships (SATs) <sup>3</sup>	5,000	3,700
Proportion of graduates satisfied with the overall quality of their training	89%	89.1%
Proportion of employers satisfied with graduates of – national accredited training <sup>4</sup>	85%	80.6%
Proportion of employers satisfied with graduates of – apprenticeships and traineeships <sup>5</sup>	83%	73.9%
<b>Efficiency measure</b>		
Average cost per competency successfully completed <sup>6</sup>	\$595	\$894
Notes:		
<ol style="list-style-type: none"> <li>1. The variance between the 2022–23 Target/Estimate and 2022–23 Estimated Actual reflects the effects of COVID-19 on respondents' employment levels. The 2022–23 Estimated Actual for this measure is based on survey results from 2021 graduates surveyed in mid-2022.</li> <li>2. The variance between the 2022–23 Target/Estimate and 2022–23 Estimated Actual is consistent with national results. There has been an increase in the number of commencements over the last two years which will result in increasing numbers of completions over the coming years due to the length of time of an apprenticeship.</li> <li>3. The variance between the 2022–23 Target/Estimate and 2022–23 Estimated Actual is directly related to changeable labour market conditions due to the impact of COVID-19 which have had impacts to the SAT cohort.</li> </ol>		

4. The variance between the 2022–23 Target/Estimate and 2022–23 Estimated Actual reflects a national trend of lower satisfaction with nationally accredited training reported at 78.7 per cent nationally.
5. The variance between the 2022–23 Target/Estimate and 2022–23 Estimated Actual reflects a national trend of lower satisfaction with nationally accredited apprenticeship training reported at 74.2 per cent nationally.
6. The variance between the 2022–23 Target/Estimate and 2022–23 Estimated Actual is due to the training budget being revised higher (due to initiatives such as Fee-Free TAFE) than the growth in successful competencies. To account for the impact of year-on-year inflation annual wage indexation has been applied to the target estimate \$595 since its inception in 2018–19.

## TAFE Queensland

Service standards	2022–23 Target/Est.	2022–23 Est. Actual
Proportion of attempted competencies successfully completed	91%	90.0%
Student post-training outcome (employed or in further study after training)	83%	85.2%
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%	92.1%
Average cost per competency	\$835	\$829
Notes: Nil		

## Appendix 4 – Statutory bodies

### TAFE Queensland

TAFE Queensland was established by the *TAFE Queensland Act 2013* as a statutory body under the *Financial Accountability Act 2009* and the *Statutory Bodies Financial Arrangements Act 1982* on 1 July 2014. This legislation prescribes TAFE Queensland's objectives and functions – TAFE's primary role is to provide VET services in a way that is efficient, effective, and responsive to the needs of industry, students, and the general community.

TAFE Queensland is the state's largest and most experienced further education and training provider, delivering practical, industry-relevant courses. This year TAFE Queensland provided training to over 126,000 students (including more than 8,000 international students from over 90 countries), across more than 400 programs that range from foundation skills to degree level, along with a series of micro-credentials, skill sets and short courses.

Further information regarding TAFE Queensland and its performance is available in the TAFE Queensland's Annual Report 2022–23, on its website: <https://tafeqld.edu.au>

### Jobs Queensland

Jobs Queensland is a statutory entity, established under the *Jobs Queensland Act 2015*. It is a trusted advisor to the Queensland Government, providing strategic and actionable advice on the skills needed for industries and region, future workforce development and planning, and the apprenticeship and traineeship system in Queensland.

Jobs Queensland also provides an independent avenue for industry, regions and communities to have a voice on the priorities for skills demand and workforce planning and development into the future.

In 2022–23, Jobs Queensland hosted 28 events to consult, validate research findings and engage with key stakeholders – a 600% increase on the 4 hosted last year. A 53% increase in social media followers was also achieved, with Jobs Queensland now actively engaged with over 3,000 followers.

Ten research reports were published in 2022–23 to support and inform policy makers, regions, and industry to address current and future workforce challenges and help them plan for the future of work in Queensland. These included:

- a strategic five-year workforce development plan for the Queensland Agriculture industry, in partnership with Queensland Farmers' Federation
- a review of the Advancing Manufacturing Skills Strategy along with further research and case studies into Queensland's manufacturing industry, in partnership with the Australian Robotics Centre
- the release of the final state-wide National Disability Insurance Scheme report about the growth of the sector and its workforce, in partnership with the Community Services Industry Alliance
- publication of two guides to promote workforce planning for regions and industry to build the highly skilled workforce they need.

To support small business owners, Jobs Queensland partnered with the University of the Sunshine Coast (UniSC) to deliver Queensland's first workforce planning micro-credential course. The course content is built from Jobs Queensland's Workforce Planning Connect resource. Two courses were delivered in 2022–23, supporting over 200 participants boost their capability to plan for and then attract and retain the workforce they need, now and into the future.

Jobs Queensland has also supported the delivery of actions as part of the QWS since its release in August 2022. This includes a focus on initiatives to support workforce participation, local solutions, workforce attraction and retention, and skilling Queenslanders now and into the future. All of which aligns to Jobs Queensland's remit.

Further information about Jobs Queensland and its performance is available in Jobs Queensland's Annual Report 2022–23 on its website: <https://jobsqueensland.qld.gov.au>.

## Queensland Training Ombudsman

The Queensland Training Ombudsman is a statutory position that reports directly to the Minister for Employment and Small Business and Minister for Training and Skills Development.

The main objective of the Office of the Queensland Training Ombudsman (the Office) is to enhance the quality and integrity of vocational education and training (VET) in Queensland by providing a free, confidential, and independent service to review and resolve enquiries and complaints from stakeholders in the VET system, including apprentices, trainees, students, employers, training providers and other parties.

The Queensland Government established the Queensland Training Ombudsman and supporting Office as part of its commitment to reinvigorate the state's VET sector. The Office commenced operation on 14 September 2015.

The Queensland Training Ombudsman provides a dedicated single point of contact to support consumers with advocacy, comprehensive advice, referral services and solutions. All complaints and investigations are conducted free of charge and in accordance with the principles of procedural fairness. Importantly, the Queensland Training Ombudsman also identifies systemic issues and recommends changes to the Minister to positively impact the provision of quality VET in Queensland.

The Queensland Training Ombudsman is also required to carry out promotional and educational activities related to Queensland VET as well as undertake reviews and research commissioned by the Minister.

The Office complies with the Queensland Government's Information Privacy Principles and *Human Rights Act 2019*.

Further information regarding the Queensland Training Ombudsman, and its performance is available from the Queensland Training Ombudsman's Annual Report 2021–22 on its website: <https://trainingombudsman.qld.gov.au>.

## Queensland Small Business Commissioner

The Queensland Small Businesses Commissioner (QSBC) has continued to enhance the operating environment for small businesses in Queensland and help small businesses reduce the time and costs associated with resolving disputes involving small businesses.

The QSBC was permanently established in May 2022 under the *Small Business Commissioner Act 2022*. The QSBC delivers vital services for small business including: providing a central point of contact in government to access information, support, and advice; assisting parties to resolve small business disputes through informal resolution and mediation; and advocating on behalf of small businesses to government and other entities.

In 2022–23, the QSBC carried out more than 2,177 activities for small businesses, commercial landlords, and stakeholders including managing 908 enquiries, 524 disputes, 68 advocacy requests, and 677 engagement activities.

Further information regarding the Queensland Small Business Commissioner and its performance is available in the Queensland Small Business Commissioner's Annual Report 2022–23, and on the QSBC website: <https://qsbc.qld.gov.au/about/>.

## Appendix 5 – Government Boards and Committees

This appendix forms the 2022–23 report for the Department of Youth Justice, Employment, Small Business and Training’s (DYJESBT) 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.</p> <p>Jobs Queensland brings together industry, employers and unions, regions, and communities to gather information to inform its advice to government. It works proactively across all levels of government to shape advice and priorities that will facilitate a cohesive and capable workforce for now and the future.</p>				
Achievements	<p>Jobs Queensland has provided extensive advice to the Queensland Government on future skills needs, workforce planning and development, and apprenticeships and traineeships.</p> <p>During 2022–23, Jobs Queensland continued to undertake significant skills and workforce research, as well as workforce planning projects focused on a number of the state’s key employing industry sectors.</p> <p>Reports and resources that Jobs Queensland released on its website in 2022–23 included:</p> <ul style="list-style-type: none"> <li>• Queensland Agriculture Industry Workforce Plan 2022–2027 (partnership with the Queensland Farmers’ Federation)</li> <li>• A guide to National Disability Insurance Scheme (NDIS) traineeships using group training (joint release with WorkAbility)</li> <li>• Advancing Manufacturing Skills Strategy Review</li> <li>• Advancing Manufacturing: Exploring the human element of the journey key findings report and supporting case studies from B&amp;R Enclosures and Watkins Steel-Holovision joint release with Australian Robotics Centre</li> <li>• Workforce planning for industry: A guide for industry, economic development bodies and government and Workforce planning for regions: A guide for regions, economic development bodies and government</li> <li>• Strengthening Queensland’s NDIS Workforce 2022 (joint release with Community Services Industry Alliance)</li> <li>• The Digital Literacies Imperative for Queensland Businesses: A scan of contemporary Australian literature.</li> </ul> <p>The findings and recommendations have provided the Queensland Government with vital direction on its employment, training and workforce programs and investment.</p>				
Financial reporting	Jobs Queensland’s costs are contained within the DYJESBT’s financial statements.				
Remuneration					
Position	Name	Meetings/sessions attendance	Approved annual, sessional, or daily fee	Approved sub-committee fees if applicable	Actual fees received
Chair	Donna Bonney	<i>7 out of 7</i>	<i>\$10,000</i>	<i>N/A</i>	<i>\$10,000</i>
Member	Peter Henneken	<i>6 out of 7</i>	<i>\$7,500</i>	<i>N/A</i>	<i>\$7,500</i>
Member	Tamilyn Brennan	<i>7 out of 7</i>	<i>\$7,500</i>	<i>N/A</i>	<i>\$7,500</i>
Member	Heidi Cooper	<i>7 out of 7</i>	<i>\$7,500</i>	<i>N/A</i>	<i>\$7,500</i>
Member	Brett Schimming	<i>1 out of 2</i>	<i>Elected not to receive fees</i>	<i>N/A</i>	<i>N/A</i>
Member	Jennifer Thomas	<i>7 out of 7</i>	<i>\$7,500</i>	<i>N/A</i>	<i>\$7,500</i>
Member	Daniel Gschwind	<i>6 out of 7</i>	<i>\$7,500</i>	<i>N/A</i>	<i>\$7,500</i>
Member	Cathy Janetzki	<i>0 out of 1</i>	<i>NA</i>	<i>N/A</i>	<i>N/A</i>
No. scheduled meetings/sessions	Seven meetings were held during 2022–23.				
Total out of pocket expenses	Total out of pocket expenses paid directly to JQ Board members was \$1,036.51.				

<b>Queensland Small Business Advisory Council</b>					
Act or instrument	Not applicable				
Functions	The Queensland Small Business Advisory Council (QSBAC) provides advice to the Minister 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>Key achievements of the QSBAC in 2022–23 included:</p> <ul style="list-style-type: none"> <li>• Members provided valuable feedback on various government small business-related programs and strategies through their lived experience as small business owners. This included: <ul style="list-style-type: none"> <li>○ Understanding Migrant Small Business research project consultation May 2023</li> <li>○ the Department's digital channels review, May 2023</li> <li>○ updates to the Department's small business grants program, March 2023</li> <li>○ Queensland Business Energy Saving and Transformation program, Department of Energy and Public Works, March 2023</li> <li>○ Small Business Survey question design for the new small business strategy, January 2023</li> <li>○ Queensland Small Business Impact Study questionnaire design, November 2022</li> <li>○ Queensland Workforce Strategy and Small Business Engagement Framework 'Ideas with Impact', September 2022</li> <li>○ Business Queensland website review to improve customer experience, August 2022</li> <li>○ the Department's Business Boost grant program customer experience and application process improvements, July 2022.</li> </ul> </li> </ul>				
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	4 out of 4	N/A	N/A	\$0
Ex – Officio	Maree Adshead, Queensland Small Business Commissioner	2 out of 2			
Ex – Officio	Dominique Lamb, Queensland Small Business Commissioner	2 out of 2	N/A	N/A	\$0
Ex – Officio	Heidi Cooper, Chief Executive Officer of the Business Chamber Queensland (BCQ), CCIQ nominee	4 out of 4	N/A	N/A	\$0
Member	Gerard Byrne	4 out of 4	N/A	N/A	\$0
Member	Tiffany English	4 out of 4	N/A	N/A	\$0
Member	Sarah Graham-Hooper	4 out of 4	N/A	N/A	\$0
Member	Laurie Johansen	4 out of 4	N/A	N/A	\$0
Member	Dipak Paudyal	3 out of 4	N/A	N/A	\$0
Member	Jennifer Qin	1 out of 4	N/A	N/A	\$0
Member	Murray Saylor	1 out of 4	N/A	N/A	\$0
Member	Tony Sharp	2 out of 4	N/A	N/A	\$0
Member	Alison Shaw	4 out of 4	N/A	N/A	\$0
Member	Petina Tieman	4 out of 4	N/A	N/A	\$0
No. scheduled meetings/sessions	During 2022–23, four QSBAC meetings were held (August and November 2022, February and May 2023)				
Total out of pocket expenses	\$13,998 (excluding GST) for costs related to members' travel and participation (i.e., airfares, accommodation, mileage, parking and catering).				



<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>				
<b>Functions</b>	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. Trading as Construction Skills Queensland (CSQ).				
<b>Achievements</b>	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">www.csq.org.au</a>				
<b>Financial reporting</b>	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>					
<b>Position</b>	<b>Name</b>	<b>Meetings/sessions attendance</b>	<b>Approved annual, sessional or daily fee</b>	<b>Approved sub-committee fees if applicable</b>	<b>Actual fees received</b>
Chair	Michael Kinnane	Board – 6 Committees: • Remuneration – 2 • Finance, Risk & Audit – 6 • Governance – 1	\$18,000 pa	\$1,500 pa	\$19,500
Director	Penny Cornah	Board – 5 Committee: Governance – 3	\$3,000 pa	\$500 pa	\$4,000
Director	Marina Chambers	Board – 5 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	\$4,000
Director	Sue-Ann Fresneda	Board – 5 Committee: Governance – 3	\$3,000 pa	\$500 pa	\$3,500
Director	Steven Koch	Board – 5 Committee: Finance, Risk & Audit – 4	N/A	N/A	N/A
Director	Damian Long	Board – 6 Committees: • Finance, Risk & Audit – 6 • Remuneration – 2	\$3,000 pa	\$1,500 pa	\$4,500
Director	Rohan Webb	Board – 5 Committees: • Governance – 2 • Remuneration – 1	\$3,000 pa	\$1,000 pa	\$4,500
No. scheduled meetings/sessions	The following meetings were scheduled during 2022–23: • Board – 6 • Committees: o Finance, Risk & Audit – 6 o Governance – 3 o Remuneration – 2.				
Total out of pocket expenses	\$166 for reimbursement of travel costs.				

# Financial Statements

Department of Youth Justice, Employment, Small Business and Training Financial Statements  
For the Year Ended 30 June 2023

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Department of Youth Justice, Employment, Small Business and Training  
Statement of Comprehensive Income  
for the year ended 30 June 2023

OPERATING RESULT	Notes	2023 Actual \$'000	2023 Original Budget \$'000	Budget Variance *	2022 Actual \$'000
<b>Income from continuing operations</b>					
Appropriation revenue	2	1 325 370	1 279 340	46 030	1 459 156
User charges and fees	3	2 703	1 705	998	2 651
Grants and contributions		11 267	1 200	10 067	3 150
Other revenue	4	25 877	17 442	8 435	50 146
Revaluation increment	11	45 256	-	45 256	34 948
<b>Total income from continuing operations</b>		<b>1 410 473</b>	<b>1 299 687</b>	<b>110 786</b>	<b>1 550 051</b>
<b>Expenses from continuing operations</b>					
Employee expenses	5	96 939	76 194	20 745	70 488
Supplies and services	7	116 209	114 653	1 556	96 940
Grants and subsidies	8	1 058 519	1 030 796	27 723	1 259 759
Depreciation and amortisation		69 155	54 266	14 889	57 782
Impairment losses	10	1 391	-	1 391	5 809
Finance/borrowing costs		21 282	21 278	4	21 726
Other expenses	9	3 626	2 500	1 126	6 314
<b>Total expenses from continuing operations</b>		<b>1 367 121</b>	<b>1 299 687</b>	<b>67 434</b>	<b>1 518 818</b>
<b>Operating result from continuing operations</b>		<b>43 352</b>	<b>-</b>	<b>43 352</b>	<b>31 233</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
<u>Items that will not be reclassified to operating result:</u>					
Increase/(decrease) in asset revaluation surplus	11	732 979	-	732 979	162 520
<b>Total items that will not be reclassified to operating result</b>		<b>732 979</b>	<b>-</b>	<b>732 979</b>	<b>162 520</b>
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>732 979</b>	<b>-</b>	<b>732 979</b>	<b>162 520</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>776 331</b>	<b>-</b>	<b>776 331</b>	<b>193 753</b>

\*An explanation of major variances is included at Note 22.

The accompanying notes form part of these financial statements.

Department of Youth Justice, Employment, Small Business and Training  
Statement of Comprehensive Income by Major Departmental Service  
for the year ended 30 June 2023

	Training and Skills		Small Business		Employment		Youth Justice		Total	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Income from continuing operations</b>										
Appropriation revenue	1 221 742	1 067 225	33 302	349 683	33 193	42 248	37 133	-	1 325 370	1 459 156
User charges and fees	2 574	2 650	34	1	-	-	95	-	2 703	2 651
Grants and contributions	1 303	263	9 918	2 800	11	87	35	-	11 267	3 150
Other revenue	25 650	22 703	86	27 443	95	-	46	-	25 877	50 146
Revaluation increment	45 256	34 948	-	-	-	-	-	-	45 256	34 948
<b>Total income from continuing operations</b>	<b>1 296 525</b>	<b>1 127 789</b>	<b>43 340</b>	<b>379 927</b>	<b>33 299</b>	<b>42 335</b>	<b>37 309</b>	<b>-</b>	<b>1 410 473</b>	<b>1 550 051</b>
<b>Expenses from continuing operations</b>										
Employee expenses	60 455	55 828	10 636	9 517	5 214	5 143	20 634	-	96 939	70 488
Supplies and services	92 574	75 892	7 997	15 548	2 431	5 500	13 207	-	116 209	96 940
Grants and subsidies	1 007 954	873 381	24 661	354 844	25 590	31 534	314	-	1 058 519	1 259 759
Depreciation and amortisation	68 041	57 779	-	2	-	1	1 114	-	69 155	57 782
Impairment losses	1 325	5 652	10	9	56	148	-	-	1 391	5 809
Finance/borrowing costs	21 282	21 726	-	-	-	-	-	-	21 282	21 726
Other expenses	3 058	6 298	36	7	8	9	524	-	3 626	6 314
<b>Total expenses from continuing operations</b>	<b>1 254 689</b>	<b>1 096 556</b>	<b>43 340</b>	<b>379 927</b>	<b>33 299</b>	<b>42 335</b>	<b>35 793</b>	<b>-</b>	<b>1 367 121</b>	<b>1 518 818</b>
<b>Operating result from continuing operations</b>	<b>41 836</b>	<b>31 233</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 516</b>	<b>-</b>	<b>43 352</b>	<b>31 233</b>
<b>Operating result from discontinued operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Operating result for the year</b>	<b>41 836</b>	<b>31 233</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 516</b>	<b>-</b>	<b>43 352</b>	<b>31 233</b>
<b>Other comprehensive income</b>										
<u>Items that will not be reclassified to operating result:</u>										
Increase/(decrease) in asset revaluation surplus	732 979	162 520	-	-	-	-	-	-	732 979	162 520
<b>Total other comprehensive income</b>	<b>732 979</b>	<b>162 520</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>732 979</b>	<b>162 520</b>
<b>Total comprehensive income</b>	<b>774 815</b>	<b>193 753</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 516</b>	<b>-</b>	<b>776 331</b>	<b>193 753</b>

Youth Justice has no comparative data for financial year 2021-22 as this activity was transferred into the department at 1 June 2023, as part of machinery-of-Government changes.

Department of Youth Justice, Employment, Small Business and Training  
Statement of Financial Position  
as at 30 June 2023

	Notes	2023 Actual \$'000	2023 Original Budget \$'000	Budget Variance *	2022 Actual \$'000
<b>Current assets</b>					
Cash		262 943	164 594	98 349	264 377
Receivables	10	73 643	15 259	58 384	10 159
Inventories		979	-	979	-
Prepayments		1 429	1 562	( 133)	1 518
		<b>338 994</b>	181 415	157 579	276 054
Non-current assets classified as held for sale		21 500	-	21 500	-
<b>Total current assets</b>		<b>360 494</b>	181 415	179 079	276 054
<b>Non-current assets</b>					
Property, plant and equipment	11	2 948 046	1 547 429	1 400 617	1 694 366
Intangible assets		291	467	( 176)	468
Right-of-use asset		95	-	95	-
<b>Total non-current assets</b>		<b>2 948 432</b>	1 547 896	1 400 536	1 694 834
<b>Total assets</b>		<b>3 308 926</b>	1 729 311	1 579 615	1 970 888
<b>Current liabilities</b>					
Payables	12	184 891	103 986	80 905	182 178
Borrowings	13	4 987	4 963	24	4 465
Accrued employee benefits		8 230	1 918	6 312	2 106
Provisions	14	73 142	79 808	( 6 666)	70 198
Unearned revenue		950	424	526	1 223
<b>Total current liabilities</b>		<b>272 200</b>	191 099	81 101	260 170
<b>Non-current liabilities</b>					
Borrowings	13	192 627	192 555	72	197 519
<b>Total non-current liabilities</b>		<b>192 627</b>	192 555	72	197 519
<b>Total liabilities</b>		<b>464 827</b>	383 654	81 173	457 689
<b>Net assets</b>		<b>2 844 099</b>	1 345 657	1 498 442	1 513 199
<b>Equity</b>					
Contributed equity		1 758 582			1 204 016
Accumulated surplus		( 31 699)			( 75 054)
Asset revaluation surplus		1 117 216			384 237
<b>Total equity</b>		<b>2 844 099</b>			1 513 199

\*An explanation of major variances is included at Note 22.

The accompanying notes form part of these financial statements.

Department of Youth Justice, Employment, Small Business and Training  
Statement of Assets and Liabilities by Major Departmental Service  
as at 30 June 2023

	Training and Skills		Small Business		Employment		Youth Justice		Total	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Current assets</b>										
Cash	279 836	260 515	-	1 169	2 460	2 693	( 19 353)	-	262 943	264 377
Receivables	27 074	7 568	3 000	2 297	799	294	42 770	-	73 643	10 159
Inventories	-	-	-	-	-	-	979	-	979	-
Prepayments	1 394	1 453	8	39	9	26	18	-	1 429	1 518
	<b>308 304</b>	<b>269 536</b>	<b>3 008</b>	<b>3 505</b>	<b>3 268</b>	<b>3 013</b>	<b>24 414</b>	<b>-</b>	<b>338 994</b>	<b>276 054</b>
Non-current assets classified as held for sale	-	-	-	-	-	-	21 500	-	21 500	-
<b>Total current assets</b>	<b>308 304</b>	<b>269 536</b>	<b>3 008</b>	<b>3 505</b>	<b>3 268</b>	<b>3 013</b>	<b>45 914</b>	<b>-</b>	<b>360 494</b>	<b>276 054</b>
<b>Non current assets</b>										
Property, plant and equipment	2 411 894	1 694 366	5	-	-	-	536 147	-	2 948 046	1 694 366
Intangible assets	291	468	-	-	-	-	-	-	291	468
Right-of-use assets	95	-	-	-	-	-	-	-	95	-
<b>Total non-current assets</b>	<b>2 412 280</b>	<b>1 694 834</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>536 147</b>	<b>-</b>	<b>2 948 432</b>	<b>1 694 834</b>
<b>Total assets</b>	<b>2 720 584</b>	<b>1 964 370</b>	<b>3 013</b>	<b>3 505</b>	<b>3 268</b>	<b>3 013</b>	<b>582 061</b>	<b>-</b>	<b>3 308 926</b>	<b>1 970 888</b>
<b>Current liabilities</b>										
Payables	175 994	177 037	2 622	2 284	3 095	2 857	3 180	-	184 891	182 178
Borrowings	4 987	4 465	-	-	-	-	-	-	4 987	4 465
Accrued employee benefits	1 841	1 701	303	253	173	152	5 913	-	8 230	2 106
Provisions	73 142	70 198	-	-	-	-	-	-	73 142	70 198
Unearned revenue	862	251	88	968	-	4	-	-	950	1 223
<b>Total current liabilities</b>	<b>256 826</b>	<b>253 652</b>	<b>3 013</b>	<b>3 505</b>	<b>3 268</b>	<b>3 013</b>	<b>9 093</b>	<b>-</b>	<b>272 200</b>	<b>260 170</b>
<b>Non current liabilities</b>										
Borrowings	192 627	197 519	-	-	-	-	-	-	192 627	197 519
<b>Total non current liabilities</b>	<b>192 627</b>	<b>197 519</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>192 627</b>	<b>197 519</b>
<b>Total liabilities</b>	<b>449 453</b>	<b>451 171</b>	<b>3 013</b>	<b>3 505</b>	<b>3 268</b>	<b>3 013</b>	<b>9 093</b>	<b>-</b>	<b>464 827</b>	<b>457 689</b>

Youth Justice has no comparative data for financial year 2021-22, as this activity was transferred into the department at 1 June 2023, as part of machinery-of-Government changes.

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 is 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 Youth Justice, Employment, Small Business and Training  
Statement of Changes in Equity  
for the year ended 30 June 2023

	Notes	2023 \$'000	2022 \$'000
<b>Contributed equity</b>			
Opening balance		1 204 016	1 234 040
Transactions with owners as owners			
Appropriated equity injections	2	48 385	24 242
Appropriated equity withdrawals	2	( 60 244)	( 54 266)
Net transfers in from other Queensland Government entity	21	566 425	-
<b>Closing Balance</b>		<b>1 758 582</b>	<b>1 204 016</b>
<b>Accumulated surplus/ (deficit)</b>			
Opening balance		( 75 054)	( 106 287)
Operating result from continuing operations		43 352	31 233
<b>Closing Balance</b>		<b>( 31 699)</b>	<b>( 75 054)</b>
<b>Asset revaluation surplus</b>			
Opening balance		384 237	221 717
Increase in asset revaluation surplus			
Buildings	11	732 979	162 520
<b>Closing balance</b>		<b>1 117 216</b>	<b>384 237</b>
<b>Total Equity</b>		<b>2 844 099</b>	<b>1 513 199</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 Youth Justice, Employment, Small Business and Training  
Statement of Cash Flows  
for the year ended 30 June 2023

Notes	2023 Actual \$'000	2023 Original Budget \$'000	Budget Variance * \$'000	2022 Actual \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<i>Inflows:</i>				
Service appropriation receipts	1 314 334	1 277 405	36 929	1 418 410
User charges and fees	1 149	1 705	( 556)	4 862
Grants and contributions	11 989	1 200	10 789	2 797
GST input tax credits from ATO	33 040	-	33 040	26 722
GST collected from customers	4 854	-	4 854	4 729
Other	16 337	17 442	( 1 105)	50 134
<i>Outflows:</i>				
Employee expenses	( 93 881)	( 76 194)	( 17 687)	( 70 248)
Supplies and services	( 154 739)	( 114 653)	( 40 086)	( 88 466)
Grants and subsidies	(1 052 455)	(1 030 796)	( 21 659)	(1 265 015)
Finance/borrowing costs	( 21 282)	( 21 278)	( 4)	( 21 726)
GST paid to suppliers	( 30 907)	-	( 30 907)	( 27 663)
GST remitted to ATO	( 5 573)	-	( 5 573)	( 5 360)
Other	( 1 974)	( 2 500)	526	( 1 713)
<b>Net cash provided by operating activities</b>	<b>20 892</b>	<b>52 331</b>	<b>( 31 439)</b>	<b>27 463</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<i>Inflows:</i>				
Sales of property, plant and equipment	17	-	17	990
<i>Outflows:</i>				
Payments for property, plant and equipment	( 9 380)	( 76 011)	66 631	( 33 986)
<b>Net cash used in investing activities</b>	<b>( 9 363)</b>	<b>( 76 011)</b>	<b>66 648</b>	<b>( 32 996)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<i>Inflows:</i>				
Equity injections	43 360	80 476	( 37 116)	24 242
<i>Outflows:</i>				
Equity withdrawal	( 60 244)	( 54 266)	( 5 978)	( 54 266)
Borrowing redemptions	( 4 465)	( 4 465)	-	( 4 017)
Lease payments	( 22)	-	( 22)	-
<b>Net cash (used in)/provided by financing activities</b>	<b>( 21 371)</b>	<b>21 745</b>	<b>( 43 116)</b>	<b>( 34 041)</b>
<b>Net increase/(decrease) in cash</b>	<b>( 9 842)</b>	<b>( 1 935)</b>	<b>( 7 907)</b>	<b>( 39 574)</b>
Cash transfers from MoG restructure	21 8 408		8 408	-
<b>Cash - opening balance</b>	<b>264 377</b>	<b>166 529</b>	<b>97 848</b>	<b>303 951</b>
<b>Cash - closing balance</b>	<b>262 943</b>	<b>164 594</b>	<b>98 349</b>	<b>264 377</b>

\*An explanation of major variances is included at Note 22.

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 2023 and is available for use in the next reporting period. The current overdraft interest rate is 7.6 percent (2022: 4.85%).

Department of Youth Justice, Employment, Small Business and Training  
Statement of Cash Flows  
for the year ended 30 June 2023

**NOTES TO THE STATEMENT OF CASH FLOW**

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

	2023 \$'000	2022 \$'000
Operating surplus/(deficit)	43 352	31 233
<i>Non-cash items included in operating result:</i>		
Depreciation and amortisation expense	69 156	57 781
Revaluation (increment)/ decrement	( 45 256)	( 34 948)
Net Losses on disposal of property, plant and equipment	1 128	4 599
Impairment losses	1 391	5 809
<i>Change in assets/liabilities:</i>		
(Decrease)/increase in deferred appropriation payable to Consolidation Fund	39 320	( 40 746)
(Increase)/decrease in GST input tax credits receivable	1 413	( 1 572)
(Increase)/decrease in net operating receivables	( 61 757)	863
(Increase)/decrease in inventories	( 21)	-
(Increase)/decrease in other current assets	2 392	41
Increase/(decrease) in other current liabilities	2 767	( 8 812)
Increase/(decrease) in payables	( 35 077)	13 026
Increase/(decrease) in accrued employee benefits	2 084	189
<b>Net cash provided by operating activities</b>	<b>20 892</b>	<b>27 463</b>

**Change in Liabilities Arising from Financing Activities**

<b>Finance liability</b>		
Opening balance	201 983	206 000
<i>Cash Flows:</i>		
Cash Repayment	( 4 465)	( 4 017)
<b>Closing balance</b>	<b>197 518</b>	<b>201 983</b>
<b>Lease liability</b>		
<i>Non-Cash Changes:</i>		
New Leases Acquired	116	-
<i>Cash Flows:</i>		
Cash Repayment	( 21)	-
<b>Closing balance</b>	<b>95</b>	<b>-</b>

Department of Youth Justice, Employment, Small Business and Training  
Notes to the Financial Statements  
for the year ended 30 June 2023

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## 1 BASIS OF FINANCIAL STATEMENT PREPARATION

### THE REPORTING ENTITY

The Department of Youth Justice, Employment, Small Business and Training ("the department") is a Queensland Government department established under the *Public Sector Act 2022* (formerly the *Public Services Act 2008*) 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 Youth Justice, 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 18

### 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 to the department effective 1 June 2023 (refer to Note 21).

### 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 2022.

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.

#### Comparatives

Comparative information reflects the audited 2021-22 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 Youth Justice, Employment, Small Business and Training  
Notes to the Financial Statements  
for the year ended 30 June 2023

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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).

The Queensland Government has committed \$16.5 million to establish MSQ an independent, not-for-profit industry body that will support employers, workers, apprentices, and trainees in the manufacturing industry. \$3.5 million of grant funding was provided to MSQ in 2022-23.

CSQ is an independent, not-for-profit, industry-funded body supporting employers, workers, apprentices, trainees and career seekers in the building and construction industry. \$3.3 million of grant funding was provided to CSQ in 2022-23. 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 2022-2023 with people and entities related to KMP. Refer to Note 6 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 50 percent (2021-22: 36%), with the majority paid to TAFE Queensland being for the state contribution grant and delivery of VET programs.

### 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 10.

### 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 2022-23 had any material impact on the financial statements.

No Australian Accounting Standards have been early adopted for 2022-23.

#### 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* amend 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.

Department of Youth Justice, Employment, Small Business and Training  
Notes to the Financial Statements  
for the year ended 30 June 2023

**1 BASIS OF FINANCIAL STATEMENT PREPARATION (continued)**

**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>) including the following key whole-of-Government publications:

- Climate Action Plan 2020-30 (<https://www.des.qld.gov.au/climateaction>)
- Queensland Energy and Jobs Plan (<https://www.epw.qld.gov.au/energyandjobsplan>)
- Climate Adaption Strategy (<https://www.qld.gov.au/environment/climate/climate-change/adapting/strategy>)
- Queensland Sustainability Report (<https://www.treasury.qld.gov.au/programs-and-policies/esg/>)

*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 Climate Action Plan 2020-2030 and other Government publications or directives.

**EVENTS AFTER THE BALANCE DATE**

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

**2 APPROPRIATION**

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

	2023 \$'000	2022 \$'000
<b>Original budgeted appropriation</b>	<b>1 277 405</b>	1 245 822
Supplementary amounts:		
Transfers from/(to) other headings (variation in headings)	<b>36 929</b>	34 364
Unforeseen expenditure	-	138 224
<b>Total appropriation received (cash)</b>	<b>1 314 334</b>	1 418 410
Plus: Opening balance of deferred appropriation payable to Consolidated Fund	<b>62 291</b>	103 037
Less : Closing balance of deferred appropriation payable to Consolidated Fund	<b>( 51 255)</b>	( 62 291)
<b>Net Appropriation revenue</b>	<b>1 325 370</b>	1 459 156
<b>Appropriation revenue recognised in statement of comprehensive income</b>	<b>1 325 370</b>	1 459 156
Variance between original budgeted and actual appropriation revenue	<b>47 965</b>	213 334

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

<b>Original budgeted equity adjustment appropriation</b>	<b>26 210</b>	( 1 283)
Supplementary amounts:		
Transfers from/(to) other headings - (variation in headings)	<b>( 36 929)</b>	( 34 364)
Lapsed equity adjustment	<b>( 6 165)</b>	-
<b>Equity adjustment receipts (payments)</b>	<b>( 16 884)</b>	( 35 647)
Plus: Closing balance of equity adjustment receivable	<b>5 025</b>	-
Plus: Opening balance of equity adjustment payable	-	5 623
<b>Equity adjustment recognised in contributed equity</b>	<b>( 11 859)</b>	( 30 024)
Variance between original budget and actual equity adjustment appropriation	<b>38 069</b>	28 741

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**2 APPROPRIATION (continued)**

**Accounting policy**

Appropriations provided under the *Appropriation Act 2022* 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.

**3 USER CHARGES AND FEES**

	<b>2023</b>	2022
	<b>\$'000</b>	\$'000
Revenue from contracts with customers		
Student fees	12	-
General fees	228	17
Other user charges and fees		
Hire of facilities	382	458
Property income	2 071	2 176
Sales revenue	10	-
<b>Total</b>	<b>2 703</b>	<b>2 651</b>

**Accounting policy - Hire of facilities/ property income**

Hire of facilities and property income is recognised when received as there is no performance obligation by the department other than the maintenance of the facilities.

**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 2021-22 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.

**4 OTHER REVENUE**

Contributions to finance liability	17 722	17 292
Recoveries from grants programs	8 155	32 854
<b>Total</b>	<b>25 877</b>	<b>50 146</b>

**Accounting policy - Other revenue**

Recoveries from grants programs have been reviewed during the financial year 2022-23 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 19.

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**5 EMPLOYEE EXPENSES**

	2023 \$'000	2022 \$'000
<b>Employee benefits</b>		
Wages and salaries	71 860	54 412
Annual leave/ levy expenses	8 375	6 421
Long service leave levy	1 900	1 439
Employer superannuation contributions	12 551	7 365
Termination benefits*	303	114
<b>Employee related expenses</b>		
Fringe benefits tax	194	134
Workers' compensation premium	1 031	188
Staff rental accommodation	16	22
Other employee related expenses	709	393
<b>Total</b>	<b>96 939</b>	<b>70 488</b>

\*Termination benefits relate to post-employment expenses, no redundancy payments were made during financial year 2022-23 or 2021-22.

	2023 No.	2022 No.
Number of full-time equivalent employees **	2 392	570

\*\* Full-Time equivalent employee data as at 30 June 2023 (based upon the fortnight ending 30 June 2023). Increase in employee numbers are due to the transfer into the department of Youth Justice activities at 1 June 2023, 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.

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**6 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.

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 2022-23 and 2021-22. 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 expenses**

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.

**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 due to machinery-of-Government announcements on 17 May 2023.



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**6 KEY MANAGEMENT PERSONNEL AND REMUNERATION EXPENSES (continued)**

Remuneration expenses (continued)

1 July 2021 – 30 June 2022

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	343	3	8	42	-	396
Deputy Director-General, Engagement <sup>1</sup> to 05/10/2021	57	2	1	6	-	66
Deputy Director-General, Engagement <sup>2</sup> from 27/09/2021	206	2	5	19	-	232
Deputy Director-General, Investment <sup>3</sup>	228	3	6	24	-	261
Deputy Director-General, Policy and Performance <sup>4</sup> from 08/11/2021	133	2	4	17	-	156
Deputy Director-General, Strategy	233	3	6	25	-	267
Head of Corporate Services <sup>5</sup> to 05/11/2021	69	1	2	7	-	79

- (1) Deputy Director-General Engagement was seconded to Queensland Treasury from 5 October 2021 and was officially appointed to Queensland Treasury on 26 May 2022.
- (2) Deputy Director-General Engagement acting in position from 27 September 2021.
- (3) Deputy Director-General Investment acted in the position of Director-General for periods less than 4 weeks during the financial year.
- (4) Deputy Director-General Policy and Performance position was newly created during financial year 2021-22, commenced 8 November 2021.
- (5) Head of Corporate no longer regarded as KMP from commencement of Deputy Director-General Policy and Performance.

**Performance Payments**

Key Management Personnel do not receive performance or bonus payments.

**7 SUPPLIES AND SERVICES**

	2023 \$'000	2022 \$'000
Building maintenance	43 974	34 691
Consultants and contractors	25 391	18 522
Materials and running costs	14 010	15 912
Equipment and building refurbishment	8 728	7 352
Computer costs	8 402	7 875
Office accommodation	6 377	5 630
Utilities	4 184	4 184
Youth detention centres running costs	1 030	-
Travel	1 363	547
Payments to shared service provider/inter-agency services	1 762	1 701
Payments for outsourced services - Youth Justice	262	-
Motor vehicle - QFleet	629	526
Lease expenses	97	-
<b>Total</b>	<b>116 209</b>	<b>96 940</b>

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**7 SUPPLIES AND SERVICES (continued)**

**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 8.

**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 Energy 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 7 and Staff rental accommodation in Note 5.

**Lease expenses**

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

**8 GRANTS AND SUBSIDIES**

	<b>2023</b>	2022
	<b>\$'000</b>	\$'000
<i>Recurrent</i>		
Training and skills programs	<b>1 003 783</b>	855 576
Small business programs	<b>24 180</b>	354 844
Employment programs	<b>25 589</b>	31 533
Youth justice programs	<b>314</b>	-
Other grants and allowances to organisations	<b>21</b>	21
<i>Capital</i>		
State Government		
Training Centre Grants	<b>4 632</b>	17 785
<b>Total</b>	<b>1 058 519</b>	1 259 759

**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.

**Disclosure – Additional grant programs**

A reduction in Grants and Subsidies expenditure was experienced in 2022-23 mainly due to COVID related Small Business Grant programs closing in 2021-22, this is partially offset by additional Training and Skills grant programs in 2022-23 with the main contributor being the Australian and Queensland Governments Fee-Free TAFE initiative.

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**9 OTHER EXPENSES**

	<b>2023</b>	2022
	<b>\$'000</b>	\$'000
Insurance premium - Queensland Government Insurance Fund	2 011	1 457
Queensland Audit Office- external audit fees for the audit of the financial statements <sup>(1)</sup>	252	176
Loss on disposal of property plant and equipment	1 128	4 599
Special payments: <sup>(2)</sup>		
Ex-gratia payments	66	20
Other expenses	169	62
<b>Total</b>	<b>3 626</b>	<b>6 314</b>

**Audit fees**

- (1) Total audit fees quoted by the Queensland Audit Office relating to the 2022-23 financial statements are estimated to be \$0.209 million (2021-22: \$0.204 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. Special payments during 2022-23 includes one payment over \$5,000 in connection with workcover supplementary allowances arrangements for employment entitlements.

**10 RECEIVABLES**

**Current**

Trade debtors	10 301	7 289
Less: Loss allowance	( 5 180)	( 3 595)
	5 121	3 694
GST receivable	3 397	3 641
Long service leave reimbursements	891	422
Annual leave reimbursements	5 006	1 315
Sundry receivables	59 228	1 087
<b>Total</b>	<b>73 643</b>	<b>10 159</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**

The increase in sundry receivables for financial year 2022-23 is due to appropriation receivable at 30 June of \$50.46 million (refer Note 2).

**Movement in loss allowance for trade debtors**

Loss allowance as at 1 July	3 595	5 705
Increase/(decrease) in allowance recognised in the operating result	1 610	5 809
Amounts written off during the year	( 25)	( 7 919)
Loss allowance as at 30 June	5 180	3 595

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 \$5.18 million.

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**10 RECEIVABLES (continued)**

**IMPAIRMENT OF RECEIVABLES**

**Receivables credit risk – ageing analysis**

Past due and impaired	Overdue					Total \$'000
	1 - 30 days \$'000	31 - 60 days \$'000	61 - 90 days \$'000	91 - 120 days \$'000	More than 120 days \$'000	
<b>2023</b>						
Trade debtors	508	68	12	7	5 442	6 037
<b>2022</b>						
Trade debtors	59	19	84	27	3 636	3 825

**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 AASB 9 *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 15 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 \$1.61 million (2021-22: \$5.809 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.

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**11 PROPERTY, PLANT, EQUIPMENT AND DEPRECIATION EXPENSE**

**CLOSING BALANCES AND RECONCILIATION OF CARRYING AMOUNT**

	Land	Buildings	Plant and Equipment	Work in Progress	Total
Property, plant and equipment					
30 June 2023	\$'000	\$'000	\$'000	\$'000	\$'000
<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
Transfers 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>

	Land	Buildings	Plant and Equipment	Work in Progress	Total
Property, plant and equipment					
30 June 2022	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Gross</b>	453 418	2 138 719	302	131 799	2 724 238
<b>Less: Accumulated depreciation</b>	-	(1 029 732)	( 140)	-	(1 029 872)
<b>Carrying amount at 30 June 2022</b>	<b>453 418</b>	<b>1 108 987</b>	<b>162</b>	<b>131 799</b>	<b>1 694 366</b>

*Represented by movements in carrying amount:*

Carrying amount at 1 July 2021	419 460	960 331	193	148 875	1 528 859
Acquisitions (including upgrades)	-	-	11	31 230	31 241
Disposals	( 990)	( 4 599)	-	-	( 5 589)
Transfers between classes	-	48 306	-	( 48 306)	-
Revaluation increments in asset revaluation surplus	-	162 520	-	-	162 520
Revaluation increments in operating surplus/(deficit)	34 948	-	-	-	34 948
Depreciation expense	-	( 57 571)	( 42)	-	( 57 613)
<b>Carrying amount at 30 June 2022</b>	<b>453 418</b>	<b>1 108 987</b>	<b>162</b>	<b>131 799</b>	<b>1 694 366</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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**11 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 and Youth Detention Centres.

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 2022-23 financial year, the department engaged independent professional valuers, State Valuation Services (SVS) in valuing the land and buildings, with specialised advice also sought from GRC Quantity Surveyors (GRC) to provide the most up-to-date and robust cost modelling which included a wider array of asset elements and unit rates to apply to the specialised buildings.

In 2022-23, 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. Some of the key indicators driving the increases to specialised buildings included:

- increase in prices of raw materials used for construction
- rapid potential wage growth within the construction industry
- rapid changes in demand due to population growth and low accommodation availability
- diminished capacity within the wider Queensland construction industry
- rising inflation and cost of living factors

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

**RECOGNITION AND ACQUISITION (continued)**

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

Use of specific appraisals (continued)

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.

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. SVS with specialised advice also sought from GRC, supplied the 2022-23 indices used for 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 2023, 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 73 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.

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**11 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 12 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 67 percent of the department's buildings were independently valued by SVS with an effective date of 30 June 2023. 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 significant 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 2022 to 30 June 2023 was an increase of 12.50 percent. GRC have also factored in a behavioural shift of 6.00% to recognise costs rising at accelerated rates compared to previous periods resulting in an overall movement of 18.50 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.

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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**11 PROPERTY, PLANT, EQUIPMENT AND DEPRECIATION EXPENSE (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	13 - 109	Other Structures	21 - 64
Land improvements	10 - 97	Plant and Equipment	4 - 25

**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.

**12 PAYABLES**

	2023 \$'000	2022 \$'000
<b>Current</b>		
Trade creditors	9 008	17 078
Capital creditors	19 044	48 553
Fringe benefit tax and other taxes	45	31
Other creditors	2 872	-
Grants and subsidies payable	57 336	54 225
Deferred appropriation payable to Consolidated Fund	96 586	62 291
<b>Total</b>	<b>184 891</b>	<b>182 178</b>

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

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.

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**13 BORROWINGS**

**Current**

Finance liability - SETP	4 964	4 465
Lease liability	23	-
<b>Total</b>	<b>4 987</b>	<b>4 465</b>

**Non-Current**

Finance liability - SETP	192 555	197 519
Lease liability	72	-
<b>Total</b>	<b>192 627</b>	<b>197 519</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 2022-23 or 2021-22 financial years. Refer to Note 19 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 (2021-22: 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 19 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 \$0.657 million (2021-22: \$0.616 million).

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

Finance liabilities relate to the Southbank Education and Training Precinct (refer to Note 19) and the fair value of the liability is calculated using discounted cash flow analysis and the effective interest rate and is disclosed below:

	2023		2022	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$'000	\$'000	\$'000	\$'000
<b>Finance liabilities at amortised cost:</b>				
Finance liability	197 519	133 011	201 984	134 332
Lease liability	95	86	-	-
<b>Total</b>	<b>197 614</b>	<b>133 097</b>	201 984	134 332

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**14 PROVISIONS**

	2023 \$'000	2022 \$'000
<b>Current:</b>		
Training Services	73 142	70 198
<b>Total</b>	<b>73 142</b>	<b>70 198</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 2022-23 ranged from 30.49 percent to 40.16 percent across the programs (2021-22: 31.96% to 35.28%). The increase of \$2.94 million in the current year was mainly due to increased student numbers and the value of the subsidies for the competencies enrolled.

**15 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:

		2023 \$'000	2022 \$'000
<b>Category</b>	<b>Note</b>		
<b>Financial assets</b>			
Cash		262 943	264 377
Financial assets at amortised cost:			
<i>Receivables</i>	10	73 643	10 159
<b>Total financial assets</b>		<b>336 586</b>	<b>274 536</b>
<b>Financial liabilities</b>			
Financial liabilities measured at amortised cost:			
<i>Payables</i>	12	184 891	182 178
<i>Finance liability</i>	13	197 519	201 984
<i>Lease liability</i>	13	95	-
<b>Total financial liabilities at amortised cost</b>		<b>382 505</b>	<b>384 162</b>

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

**FINANCIAL RISK MANAGEMENT**

**Risk Exposure, Measurement and Management Strategies**

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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**15 FINANCIAL RISK DISCLOSURES (CONTINUED)**

**FINANCIAL RISK MANAGEMENT (CONTINUED)**

**Risk Exposure, Measurement and Management Strategies (Continued)**

Risk Exposure/ Measurement Method	Definition / Risk Management Strategies
Credit Risk – Receivables (Note 10)  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 12) Finance liability (Note 13)  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 13)  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.

	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>
	2022	Contractual Maturity		
	Total \$'000	<1 year \$'000	1 - 5 years \$'000	> 5 years \$'000
<b>Financial Liabilities</b>				
Payables	182 178	182 178	-	-
Financial Liability	481 392	28 317	113 269	339 806
<b>Total</b>	<b>663 570</b>	<b>210 495</b>	<b>113 269</b>	<b>339 806</b>

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**16 CONTINGENCIES**

**Litigation in Progress**

At 30 June 2023, there is currently one case filed in the District courts naming the State of Queensland acting through the Department of Youth Justice, 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 2023, 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 \$4.231 million. At reporting date, it is not possible to make an estimate of any probable outcome of these claims, or any financial effects.

**17 COMMITMENTS**

	2023 \$'000	2022 \$'000
<b>Capital expenditure commitments</b>		
<b>Buildings, plant and equipment</b>		
Not later than 1 year	67 917	31 002
Later than 1 and not later than 5 years	5 579	-
<b>Total Capital expenditure commitments - Buildings</b>	<b>73 496</b>	<b>31 002</b>
<b>Grant commitments</b>		
Not later than 1 year	83 185	74 450
Later than 1 and not later than 5 years	12 059	6 373
<b>Total Grant commitments</b>	<b>95 244</b>	<b>80 823</b>
<b>Other commitments*</b>		
Not later than 1 year	10 124	11 051
Later than 1 and not later than 5 years	5 766	764
<b>Total Other commitments</b>	<b>15 890</b>	<b>11 815</b>

\* Commitments related to Public Provision of Private Infrastructure Arrangements have been removed from financial year 2022-23 and 2021-22 and are included within Note 19.

**18 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.

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**19 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 11.

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</b>	Finance during the design and construction phases was provided by JEM (Southbank) Pty Ltd.
<b>Arrangement</b>	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. DYJESBT bears the risks associated with performance specifications and changes to current and future requirements of the specifications including operating and maintenance risks. DYJESBT 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>	2022
	<b>\$'000</b>	\$'000
<b>Inflows</b>		
Not later than 1 year	<b>17 226</b>	16 809
Later than 1 year but not later than 5 years	<b>67 206</b>	65 611
Later than 5 years but not later than 10 years	<b>81 768</b>	79 922
Later than 10 years	<b>90 762</b>	105 057
<b>Net cash inflow</b>	<b>256 962</b>	267 399
<b>Outflows</b>		
Not later than 1 year	<b>( 50 741)</b>	( 50 177)
Later than 1 year but not later than 5 years	<b>( 194 248)</b>	( 180 571)
Later than 5 years but not later than 10 years	<b>( 207 351)</b>	( 207 617)
Later than 10 years	<b>( 184 706)</b>	( 220 312)
<b>Net cash outflow</b>	<b>( 637 046)</b>	( 658 677)
<b>Total Net Cashflow</b>	<b>( 380 084)</b>	<b>( 391 278)</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 3.92 percent (2021-22: 3.77%).

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**20 TRUST TRANSACTIONS AND BALANCES**

The department manages and acts as trustee for the Youth Detention Centre Trust Funds. As the department performs only a custodial role in respect of these small value transactions and balances, they are not recognised in the financial statements.

	2023 \$'000
Revenue	( 20)
Expenses	19
	<u>( 1)</u>
Assets	39
Liabilities	( 39)
<b>Total</b>	<u>-</u>

**21 MACHINERY-OF-GOVERNMENT CHANGES**

Details of Transfer: Youth Justice division of the Department of Children, Youth Justice and Multicultural Affairs to the Department of Employment, Small Business and Training.

Basis of Transfer: Administrative Arrangement Order (No.1) 2023

Date of Transfer: Effective from 1 June 2023

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

	\$'000
<b>Assets</b>	
Cash	8 408
Receivables	4 530
Other current assets and inventories	24 856
Property, plant and equipment	<u>535 812</u>
<b>Total Assets</b>	<u>573 606</u>
<b>Liabilities</b>	
Payables	<u>( 7 181)</u>
<b>Total Liabilities</b>	<u>( 7 181)</u>
<b>Net Assets</b>	<u>566 425</u>

The increase in assets of \$566.425 million has been accounted for as an increase in contributed equity as disclosed in the statement of changes in equity.

Budgeted appropriation revenue of \$46.872 million (controlled) was reallocated from the Department of Children, Youth Justice and Multicultural Affairs to the department as part of the machinery-of-government changes.

Department of Youth Justice, Employment, Small Business and Training  
Notes to the Financial Statements  
for the year ended 30 June 2023

**22 BUDGETARY REPORTING**

This section contains explanations of major variances between the department's actual 2022-23 financial result and the original budget presented to Parliament.

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

<i>Grants and other contributions</i>	The increase in Grants and contributions is mainly due to the timing of funding received from the Queensland Reconstruction Authority for the Small Business Recovery and Resilience support package which aims to alleviate the stresses, enhance wellness and address mental health issues resulting from the recent flooding as well as provide recovery support across impacted regions.
<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 \$12 million at the Eagle Farm campus, \$9 million at Coomera and \$3 million at Acacia Ridge.
<i>Employee expenses</i>	The increase is due to the machinery-of-Government change with Youth Justice FTEs transitioning into the department.
<i>Depreciation and amortisation</i>	The increase is due to the effect of the 2021-22 revaluation program and the department capitalising buildings throughout the year, with asset values increasing and adjustments to useful lives impacting on annual depreciation expenses.
<i>Impairment losses</i>	The variance arises from an unbudgeted impairment of receivables mainly due to the uncertainty around grant recoveries from Registered Training Organisations and other grant recipients for various programs including Certificate 3 Guarantee, Skilling Queenslanders for Work and the Back to Work grants program.

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

<i>Cash</i>	Part of the variance for Cash (\$99.8 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 the year-end Commonwealth appropriation receivable (\$13.2 million) from the Consolidated Fund for the Vocational Education and Training Fee Free TAFE and Job Trainer initiatives and a \$37.1 million State appropriation receivable from the Consolidated Fund as a result of the machinery-of-Government change with Youth Justice transitioning into the department.
<i>Property, plant and equipment</i>	The increase is mainly due to the effect of the annual revaluation program with higher asset revaluations (increase of \$732.9 million) than anticipated due factors outlined in Note 11 Property, plant and equipment, and depreciation expenses as well as investment in the Training and Skills capital program adjusted for annual depreciation. The balance also increased due to the machinery-of-Government change with \$535.8 million Youth Justice property, plant and equipment transitioning into the department (refer to Note 21 Machinery-of-Government Changes).
<i>Payables</i>	The increase is mainly due to the year-end payable to the Consolidated Fund for various limited life programs (\$101.6 million) due to delays or revised program plans, including Skilling Queenslanders for Work, Future Skills Fund initiatives and Queensland Workforce Strategy initiatives. This is partially offset by a decrease in year-end capital accruals (\$30 million) for the Training Infrastructure program.
<i>Accrued employee benefits</i>	The increase is mainly due to the machinery-of-Government change with Youth Justice FTEs transitioning into the department.

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

<i>Appropriation receipts</i>	Increased Appropriation receipts in 2022-23 were primarily due to additional Australian Government funding for Fee Free TAFE (\$72.794 million), additional State funding for various programs including the Queensland Workforce Strategy Initiatives (\$10.2 million) and depreciation adjustments (\$12.038 million), partially offset by timing adjustments for the Australian Government National Partnerships Job Trainer Fund (-\$20 million) and State-funded programs including Skilling Queenslanders for Work (-\$28 million).
<i>Supplies and services</i>	The increase in outflows for supplies and services is mainly due to the machinery-of-Government change with Youth Justice expenditure for the month of June 2023.
<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 and as a result an increase in equity withdrawals to the consolidated fund.



Department of Youth Justice, Employment, Small Business and Training  
Management Certification  
for the year ended 30 June 2023

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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 Youth Justice, Employment, Small Business and Training for the financial year ended 30 June 2023, and of the financial position of the department at the end of that year; and

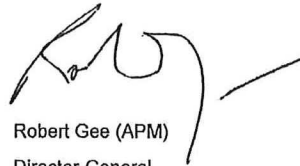
The Director-General, as the Accountable Officer of the department, acknowledge(s) responsibility under section 7 and section 11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



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

Date:

31-8-2023



Robert Gee (APM)  
Director-General  
Department of Youth Justice, Employment,  
Small Business and Training

Date:

31/8/23

## INDEPENDENT AUDITOR'S REPORT

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

In my opinion, the financial report:

- a) gives a true and fair view of the department's financial position as at 30 June 2023, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

The financial report comprises the statement of financial position and statement of assets and liabilities by major departmental service as at 30 June 2023, 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.

#### 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* (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 (\$2.3 billion as at 30 June 2023)**

Refer to note 11 in the financial report.

Key audit matter	How my audit addressed the key audit matter
<p>Department of Youth Justice, 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 an independent quantity surveyor 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 indexed, 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>evaluating the relevance and appropriateness of the price escalation contingency factor (behavioural shift) in the context of the current construction environment</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>

### **Responsibilities of the department 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. This is not done for the purpose of forming an opinion on the effectiveness of the department's internal controls, but allows me to form an opinion on compliance with prescribed requirements.
- Evaluate the appropriateness of material accounting policy information used and the reasonableness of accounting estimates and related disclosures made by the department.
- Conclude on the appropriateness of the department's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the department's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the department to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with the Accountable Officer, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **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 2023:

- 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

31 August 2023

Queensland Audit Office  
Brisbane

