

## ESTIMATES QUESTION ON NOTICE

### No. 1

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#### QUESTION:

I refer to page 8 of the SDS and current apprenticeship and trainee completions, can the Minister please outline what factors are impacting apprentice and trainee outcomes in Queensland?

#### ANSWER:

Queensland is seeing great outcomes for its apprentices and trainees.

In 2018, Queensland had the second highest result of all jurisdictions with 22,400 apprenticeship and traineeship completions – representing one quarter of all completions across Australia (88,900).

Queensland's apprentice and trainee completions increased by 1.2% (to 22,435) in 2018. Bucking a downward national trend that saw completion rates decrease by 5.5% over the same time period.

We are punching above our weight with nearly one quarter of all apprentices and trainees in Australia, in the last 3 years commencing in Queensland.

Queensland's strong performance in completions is underpinned by the Palaszczuk Government's investment in key programs and initiatives such as:

- Back to Work – already more than 4,800 apprentices and trainees have got their start thanks to Back to Work
- Skilling Queenslanders for Work – more than 37,000 have gained job readying training (more than 26,000 into a job or further training)
- Queensland's Payroll tax apprentice and trainee rebate being extended until 30 June 2021

Despite Queensland's nation leading performance, no jurisdiction is immune to national trends that are having a negative impact on apprentice and trainee completions rates.

As noted in the Department of Employment, Small Business and Training Service Delivery Statement on page 8, the difference in apprenticeship completions compared to targets set out for 2018-19 is consistent with national results aligned with national economic conditions impacting on employers.

Completion rates have also been impacted by a range of Commonwealth funding cuts to apprentice, trainee and employer incentives that supported people throughout their training.

Queenslanders deserve a fair deal from the Australian Government when it comes to funding for training and skills development. Unfortunately, the recent Federal budget saw an overall cut of \$120 million to national training investment. This represents a continuation of cuts and cost shifting to the states. The list of terminated national partnership agreements on skills and training has left the states to pick up the bill:

- National Partnership on the Joint Group Training Program – Not replaced.
- National Partnership Agreement for TAFE Fee Waiver for Childcare Qualifications – Not replaced.
- National Partnership for Training Places for Single and Teenage Parents – Cut an year early.
- National Partnership Agreement on Productivity Places Program – Not continued.

## ESTIMATES QUESTION ON NOTICE

### No. 2

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#### QUESTION:

I refer to page 19 of the SDS and note TAFE Queensland has improved its forecast deficit position in 2018/19, can the Minister please detail how TAFE is working to improve its Budget outcome?

#### ANSWER:

TAFE Queensland is the State's largest public provider, delivering high quality vocational education and training (VET) with strong student outcomes that support industry and employer skill needs for communities across Queensland.

This is a vital contribution to the Queensland economy through the productivity benefits, employment opportunities and the provision of a higher skilled labour workforce that TAFE Queensland brings. A recent KPMG report highlighted that for every \$1 invested at TAFE Queensland returns \$2.55 back in to the Queensland economy.

TAFE Queensland has worked hard to increase revenue and contain costs, however a range of funding pressures have impacted TAFE Queensland's revenue streams.

The introduction in 2017 of VET Student Loans (VSL) scheme by the Federal Government has significantly impacted TAFE Queensland. VSL related revenue has reduced by \$29.9 million since the introduction of the scheme, as fewer people took out loans to study as a result of loan caps and new eligibility criteria.

A further \$9.1m revenue reduction relates to contractual and budget changes for the Commonwealth Skills for Education and Employers (SEE) program and the Adult Migrant English Program (AMEP) since 1 July 2017.

As a result of these Federal Government changes, TAFE Queensland is facing financial challenges with an estimated forecast operating loss of \$6.9m in 2018-19, an improvement from a previously budgeted deficit of \$11.198 million. TAFE Queensland holds a strong balance sheet and has sufficient cash reserves to cover short term losses.

TAFE Queensland is continually investigating ways it can diversify its revenue streams by continuing to build strong industry partnerships, delivering customised, flexible training options for businesses – big and small. As a result, in 2019-20, TAFE Queensland is forecasting an increase in direct delivery related revenues.

TAFE institutes across Australia are experiencing similar financial difficulties due to reduction in funding by Federal Government programs, most recently TAFE NSW reported a \$239 million deficit in 2017/18, while TAFE in WA and Tasmania have reported ongoing and increasing deficit positions since 2016.

## ESTIMATES QUESTION ON NOTICE

### No. 3

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#### QUESTION:

I note page 16 of the SDS states TAFE is recognised as a highly respected VET provider. Can the Minister outline how this recognition is viewed overseas?

#### ANSWER:

TAFE Queensland's international reputation as a highly respected VET provider is evidenced through its global partnerships and offshore delivery opportunities; requests for consultation and presentations on best practice; visits from high level delegations; and appeal to a vastly diverse international student base.

TAFE Queensland delivers training to international students from 90 countries, both in Australia and overseas.

In 2018-19, TAFE Queensland generated more than \$31.0 million in international training revenue as a direct result of its overseas related expenditure of \$551,946, this underpins their success on the world stage.

A brief example of some of TAFE Queensland's successful international partnerships include:

- Australian Pacific Training Coalition (APTC) – TAFE Queensland is the managing contractor for the Australian Government's largest aid and development investment in technical vocational education and training (TVET) in the Pacific Region. The APTC is a centre of training excellence; assisting Pacific Island citizens to gain Australian-standard skills and qualifications for a wide range of vocational careers in demand across the region and beyond. The APTC has delivered Australian qualifications through TAFE Queensland to over 13,500 students who have graduated and gained employment, advanced their careers, started their own small businesses, or pursued work opportunities abroad. The APTC was the 2018 Gold winner for Access to Learning and Employment for the Awards of Excellence, World Federation of Colleges and Polytechnics.
- Shanghai Second Polytechnic University is a strong off-shore partnership recently celebrating its 20th anniversary. TAFE Queensland has delivered training to almost 4,000 students in China since 2003.
- Central Java is a sister state of Queensland and a teacher training program was developed following the Central Java Education Office approaching TAFE Queensland to utilise its expertise to improve the capacity of Central Java's vocational trainers and assessors. Currently 25 educators from Central Java are undertaking this training at TAFE Queensland's South Bank campus.

- Vietnam – Managing Abattoirs: TAFE Queensland delivers training in Vietnam on managing abattoirs, in response to an initial request from Meat and Livestock Australia (MLA) and approved by the Australian Embassy Vietnam.
- Papua New Guinea – TAFE Queensland recently delivered the Certificate III in Instrumentation and Control to 30 employees of Lihir Gold Limited trading as Newcrest Mining Limited, onshore at Lihir Island.
- Philippines – TAFE Queensland recently delivered non-accredited engineering skill sets to 99 employees of Philippine Associated Smelting and Refining Corporation (PASAR).

## ESTIMATES QUESTION ON NOTICE

### No. 4

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#### QUESTION:

I refer to page 7 of the SDS and the 160 high priority qualifications that school leavers can access for free during their first year out of school as part of the free tafe program. Can the Minister identify how those priority courses are determined?

#### ANSWER:

The Queensland Government wants to ensure that young Queenslanders can gain the skills and training they need to transition from school into meaningful employment and build a lifelong career.

There are more than 160 fee free courses on offer in a number of high priority qualifications across a wide variety of industries.

High priority courses are those that develop the workforce skills most needed by employers and the Queensland economy. Importantly, the suite of fee-free courses is determined based on:

- evidence of their effectiveness in providing graduates a pathway into the labour market;
- skills in demand; and
- ongoing consultation with industry stakeholders through a range of formal and informal arrangements.

For example, the Department of Employment, Small Business and Training (DESBT) currently has service agreements with 11 VET Industry Advisory Organisations (VETIAOs) who provide advice about the effectiveness of government VET investment in meeting industry's immediate skills needs.

Further, Jobs Queensland provides strategic industry advice to government about skills demand, future workforce development, and traineeships and apprenticeships including advice on emerging skill needs and jobs of the future.

These arrangements for gathering and responding to this industry advice are being improved. Queensland's recently released Skills for Queensland Strategy has laid out how new industry engagement arrangements will help government target regional skills priorities.

## ESTIMATES QUESTION ON NOTICE

### No. 5

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#### QUESTION:

I note on page 3 of the SDS that DESBT will be assisting disengaged year 12 students with a new \$1.6 million Link & Launch pilot project. Can the Minister outline how this pilot will assist young Queenslanders into education, training or employment?

#### ANSWER:

Recognising the value and potential of youth, the Palaszczuk Government already provides a range of programs to assist young Queenslanders engage in education, training or work. The Palaszczuk Government's Free TAFE initiative is already helping position Year 12 graduates to take advantage of the variety of options available to them when laying the foundations for their future.

However, some young Queenslanders struggle at this time of transition post high school, and for a variety of reasons can disengage from earning or learning. The Palaszczuk Government wants these young people to realise their ambitions and fulfil their potential. That is why as part of our Advancing Queensland's Priorities we have set ourselves a target to increase the number of young Queenslanders engaged in education, training or work.

To help achieve this target, the Department of Employment, Small Business and Training has introduced the Link and Launch initiative, in partnership with the Department of Education, to assist disengaged Year 12 graduates to navigate back into education, training or employment by providing support services to young people. The Department is providing \$1.6 million over three years to pilot Link and Launch at two sites in Queensland – Logan/Beaudesert and Cairns.

The Department is consulting with local youth sector organisations at these locations to coordinate and design pilots to ensure existing support services are engaged and any gaps in service provision are filled.

Link and Launch is about providing seamless transitions to existing and proven initiatives – whether it be Free tafe for Year 12 graduates; Skilling Queenslanders for Work; Back to Work; or training through the TAFE Priority Training Program. Furthermore, a range of digital resources will be available to help young people all over Queensland access the career guidance and support they need.

## ESTIMATES QUESTION ON NOTICE

### No. 6

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#### QUESTION:

I refer to page 3 of the SDS and the reference to the North Stradbroke Island Workers Assistance Scheme. Can the Minister detail how the scheme has supported workers on North Stradbroke Island?

#### ANSWER:

The Workers Assistance Scheme is in place to assist the transition of Sibelco workers to ongoing employment when sand mining on the island ceases. At the cessation of sand mining, a large proportion of workers will remain engaged in the post sand mining decommission and rehabilitation work required, to ensure Sibelco meet the environmental requirements prior to the transition of the land to the traditional owners.

The Workers Assistance Scheme provides a range of targeted activities including payments of up to \$2000 per worker, for additional training which is not already subsidised through the Department's training and skills budget. Employer wage subsidies of up to \$4000 per worker are also available to eligible employers engaging an affected worker in permanent employment.

As at 29 June 2019, a total of \$516,741.49 has been paid to assist 144 former and current Sibelco workers.

For the 25 workers who have left employment to date, assistance has been provided as follows:

- 9 workers accessed Training & Skills Support services
  - 8 workers accessed Job Search Support services
  - 11 workers accessed Housing Assistance
  - 16 workers accessed Commuting Subsidy (Ferry)
  - 17 workers accessed Commuting Subsidy (Vehicle Registration).
- (Note: some workers accessed assistance for more than one of the above)*

Of the 25 ex-employees, six individuals have either started their own business or purchased an existing business; four of these businesses are based on the Island in property sales and rentals, seafood catching, pest control and passenger transport services; and two are mainland based in courier services and fencing/maintenance contracting.

At the time of the last contact with the remaining workers, the status of the other 19 individuals were as follows:

- 6 had retired
- 1 was completing university studies
- 9 gained employment (3 full time, 5 casual and 1 contracting)

- 1 was completing an apprenticeship
- 1 was on a career break
- 1 preferred not to comment.

Sibelco are currently communicating with the remaining workforce and discussing the status of each worker as Sibelco moves from extraction to decommissioning and rehabilitation activities. Once this process has been completed, the Department will continue to work closely with the impacted workers and tailor the support services available through the Workers Assistance Scheme for the individuals' training and support requirements. This includes continually reviewing the current package of assistance, with a view of improving outcomes for impacted workers and working with other government and non-government stakeholders to provide appropriate support for Sibelco employees.

## ESTIMATES QUESTION ON NOTICE

### No. 7

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#### QUESTION:

I note the SDS highlights one of DESBT's objectives is to support small business to start, grow and employ. How does Queensland's tax competitiveness compare to situations in other states and how is this supporting this objective?

#### ANSWER:

The Queensland Government is committed to providing a competitive tax environment that supports small business and jobs growth in all parts of the state, including regional Queensland. There is simply no better place than Queensland for small businesses to start, grow and employ.

We are demonstrating this through the 2019–20 State Budget which shows that Queensland's taxation per capita is \$643 less than the average of the other jurisdictions at \$2,952. In fact, Queensland taxation is \$936 per capita less than New South Wales and \$684 per capita less than Victoria.

Most importantly for small business, in the 2019–20 Budget the Queensland Government has committed \$885 million over four years for targeted payroll tax relief, which is supporting small-to-medium businesses to grow, create jobs and boost the economy.

This commitment from the Queensland Government represents an investment in our state's small-to-medium businesses. We want them to be best positioned to contribute to our growing economy, create new jobs and support our future workforce, particularly by employing apprentices and trainees in regional areas.

From 1 July 2019, the payroll tax threshold will increase from \$1.1 million to \$1.3 million. As a result, around 1,500 fewer employers will be liable for payroll tax, putting \$77 million back in the hands of Queensland's small-to-medium businesses in 2019–20, and \$335 million over the four-year budget period. This means a business in Queensland can employ twice as many people as a business in Victoria before paying a single dollar in payroll tax.

The Queensland Government's Payroll Tax Package also includes a regional payroll tax discount, providing regional employers with a 1% discount off the payroll tax rate where they have an ABN registered business and at least 85% of wages paid to employees located outside South-East Queensland. This initiative underscores the commitment that the Queensland Government has to supporting jobs in regional Queensland.

The Queensland Government remains committed to supporting employers who take on an apprentice or a trainee by extending to 30 June 2021 the successful 50% payroll tax rebate of the payroll tax paid for these additional employees, capped at \$20,000 annually. This rebate, along with the suite of vocational education and

training investments made by the Queensland Government, supports Queensland business and industry to have the skilled workers needed for the economy of the future.

Additionally, the Queensland Government has announced an employment growth rebate as part of its Payroll Tax Package. The employment growth rebate benefits businesses who back Queensland jobs by offering a payroll tax rebate of up to \$20,000 per year to employers that can demonstrate a net increase in full time employees for the 2019–20 and 2020–21 financial years, payable in the 2020–21 and 2021–22 financial years.

The \$885 million Payroll Tax Package complements the wholistic approach that is being taken to make it easier for small business to operate and prosper in Queensland. This package will deliver lower taxes for 13,200 small and medium businesses, and new incentives for all businesses to hire more Queenslanders. We are also backing small business through initiatives focused on regulatory reform, targeted investments and key programs like Back to Work and Skilling Queenslanders for Work, and the provision of a range of easy to access business supports such as Mentoring for Growth and the Business Queensland website.

## ESTIMATES QUESTION ON NOTICE

### No. 8

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#### QUESTION:

I note the SDS highlights the work of the Small Business Champion and the Queensland Small Business Advisory Council. Can the minister outline how the Champion and the committee is supporting positive outcomes for Queensland small businesses?

#### ANSWER:

The Queensland Small Business Advisory Council (QSBAC) provides strategic advice, recommendations and practical solutions to identified small business issues, allowing the Government to engage with the small business community and hear first-hand issues of concern.

The QSBAC includes small business owners, representatives of key business and industry organisations covering the broad cross section of the small business community in Queensland. The Better Regulation Taskforce (BRT) is a sub-committee of the QSBAC and provides advice to government on improving regulation to support small business.

One of the key activities undertaken by the Council recently included commissioning of the Entrepreneurial Pipeline (EP) Project report, which highlighted opportunities for the Queensland Government to support the entrepreneurial pipeline of Queensland artisan food and beverage producers.

The Queensland Government responded to the report in late 2018 and are progressing response actions including the recent release of the Supporting Artisan Producers plan to help address the challenges that exist for small, locally-based artisan food and beverage producers to access local markets to sell their goods to the public.

In addition, the Council's sub-committee, the BRT, conducted a review of the future of small business regulation in an economy digitally disrupted by new technologies, which resulted in the development of the 2018 Better Regulation Taskforce Report: Queensland Government Response and Action Plan. Queensland Government initiatives outlined in the 2018 Government Response are assisting small business through responding to changing business models and streamlining licencing, compliance and access to government services, enabling better access to information, reducing the administrative burden on small business.

In 2018-19, the QSBAC worked on several key projects to provide advice to the Government on small business issues, including:

- provided input into development of the Queensland Small Business Procurement Commitment and the On-time Payment Policy;

- reported on small business activities and issues in regional Queensland, including hosting a regional meeting in Cairns;
- participated in a joint meeting with members of the National Small Business Commissioners (NSBC) network.

QSBAC membership includes the Minister for Employment and Small Business and Minister for Training and Skills Development as Chair, the Queensland Small Business Champion and 10 representatives of the small business community.

Ms Maree Adshead, Queensland's Small Business Champion (QSBC), continues to advocate strongly for small businesses in Queensland.

Regrettably after the LNP abolished the Queensland Business Commissioner there was no dedicated advocacy role for Queensland small businesses. Under the former government, Queensland went missing in action and was not represented at the National Small Business Commissioners network, which is the main national forum for discussion of small business matters.

The Palaszczuk Government has turned that around with the appointment of Ms Maree Adshead as Queensland's inaugural Small Business Champion.

Now in her third year in the role, Ms Adshead has undertaken more than 500 engagement activities with small business, industry and key stakeholders since January 2017 to hear firsthand the issues and concerns that matter most to them. Over 250 of these activities have occurred in the last 12 months.

Ms Adshead regularly visits small business owners to discuss challenges and to provide advice and assist with disputes and other business issues. Since December 2018, she has engaged formally with 28 businesses in this regard.

Ms Adshead is also providing an important voice for Queensland at the key national forum for small business, the National Small Business Commissioners network.

As QSBC, Ms Adshead is continuing to play a critical role in supporting businesses impacted by the North Queensland monsoon trough event in January/February this year. Ms Adshead has attended the region on five occasions to date to visit businesses, listen to their stories and coordinate support – at the local level - from relevant regulatory agencies and business organisations.

In 2019, the QSBC (as Chair of the BRT) is also overseeing a review of the licensing and process requirements for small artisanal food and non-alcoholic beverage producers to access local markets to sell their goods to the public.

## ESTIMATES QUESTION ON NOTICE

### No. 9

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#### QUESTION:

I refer to page 7 of the SDS and the work undertaken by Jobs Queensland. Can the Minister outline how Jobs Queensland's engagement with industry and business is supporting Queensland's skills and training policy?

#### ANSWER:

Jobs Queensland's engagement with industry and business provides it with valuable intelligence to inform its work, which has included 29 publicly released reports and resources, as well as additional pieces of advice provided to Government.

Key work and advice delivered by Jobs Queensland has provided the Queensland Government with vital direction on the development of employment, skills and training policy. Some prominent work from Jobs Queensland includes:

- The Advanced Manufacturing report that shaped the Queensland Government's \$50 million investment in skills in the manufacturing sector.
- The State-wide Tourism Workforce Plan that led to DESBT committing \$3.6 million over three years for tourism training and support initiatives, in addition to the \$40 million under the Annual VET Investment Plan to develop tourism and hospitality skills.
- The Jobs Fraser Coast committee that will provide the blueprint for the new Regional Jobs Committees announced as part of the Queensland Skills Strategy.
- The Anticipating Future Skills project and research on the Future of Work has underpinned the development and approach to the Queensland Skills Strategy.
- Release of Workforce Planning Connect, a workforce planning tool kit for small business designed in partnership with the Queensland Chamber of Commerce and Industry.

The positive relationship that Jobs Queensland has with industry is shown through the following positive feedback from Belinda Drew, Chief Executive Officer from the Community Services Industry Alliance:

*"Jobs Queensland's focus on future jobs and skills has been invaluable for the community services industry. The range of research projects and regional planning initiatives have helped to guide workforce planning in our industry and have firmly positioned community services as a significant part of Queensland's future workforce and regional economies."*

Stephen Tait, CEO of CCIQ has highlighted the cooperation and benefit of Jobs Queensland's work, in particular in developing Workforce Planning Connect:

*"These new resources will allow small businesses to make sure they have the right people, in the right positions, at their own pace. It's pleasing to see the*

*Government committed to creating these kinds of tools to help small businesses understand what skills they need to succeed in commerce”.*

And from Alison Smith, Group Executive External Affairs from the Star Entertainment Group:

*“In individual and group interactions, Jobs Queensland listened, questioned and probed to understand stakeholders and their workforce priorities. The Star Entertainment Group was pleased to participate in this process, and thanks Jobs Queensland for its commitment to work with industry on ways to grow Queensland’s tourism workforce.”*

Jobs Queensland’s work continues to be a critical driver and input into the Government’s skills and training policy development.

## ESTIMATES QUESTION ON NOTICE

### No. 10

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#### QUESTION:

I refer to page 6 of the SDS and note Small Business consultation panels have been established. Can the Minister please outline the benefit of these panels and how they operate?

#### ANSWER:

The aim of the Small Business Consultation Panels is to hear first-hand from experienced small business owner/operators about how proposed changes in legislation, policy, regulation and other issues identified by Government agencies may affect the day-to-day running of their businesses.

With more than 438,000 small businesses in Queensland, incorporating feedback from small businesses on Government policy development and services is an important part of the Government's focus on job creation and business growth.

A pilot to trial the panels was run involving six panels from April to June 2019, with the pilot informing the full implementation from 2019-20. The six panels were conducted in Ipswich, Cairns, and Brisbane, addressing four policy areas:

- The Future of Work (Jobs Queensland) (two panels held)
- On-Time Payment Policy (DESBT)
- Employment Barriers and Opportunities for Migrants and Refugees (Department of Local Government, Racing and Multicultural Affairs)
- Building our Innovation Economy (Department of Innovation, Tourism Industry Development and the Commonwealth Games) (two panels held)

Feedback from these pilot panels indicates that they were enthusiastically embraced by the small business panellists and were well supported by Government agencies. Agencies that participated found the panels provided a valuable opportunity for free-flowing discussion and independent advice from small business operators.

For example, the Barriers to Employment of Migrants and Refugees in Small Business panel identified future opportunities to relocate and train people for regional jobs, as well as raising small business awareness about migrant/refugee support networks in regions. The Innovation Economy panels highlighted the passion for innovation and identified unexpected guidance about how to engage with regional small businesses, particularly related to making the most of local cross sector networks.

Panellists must be a current Queensland small business owner/operator selected via an Expression of Interest process and subject to successful due diligence checks. Panels are typically made up of four to six experienced small business owner/operators and two agency representatives. The composition of panels varies

depending on the nature of topics being considered. Panels are facilitated by the Department of Employment, Small Business and Training (DESBT).

A pipeline of additional topics is being developed for the remainder of 2019, involving a range of Queensland Government agencies.

## ESTIMATES QUESTION ON NOTICE

### No. 11

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#### QUESTION:

With reference to the Department of Employment, Small Business and Training SDS page 19 TAFE Queensland Income Statement – will the Minister provide a detailed breakdown of overseas related estimated actual and budgeted TAFE expenses (in table format, per financial year and per country) for 2018–19 (estimated actual) and 2019-20 (budgeted)?

#### ANSWER:

TAFE Queensland supports the Queensland Government's strategies to grow the state's international education and training sector and showcase our state to the world. International education and training is worth \$4.6 billion to Queensland's economy and supports more than 21,000 jobs.

International travel underpins the key objectives of the TAFE Queensland International Strategic Plan 2019-24 including growth in strategic partnerships, maintaining a diverse student population, being a leader in study tours and professional training, increasing commercial capabilities, growing aid and development and globally profiling TAFE Queensland.

For every dollar spent by TAFE Queensland on overseas related expenditure in 2018-19, \$56 of international training revenue was generated.

In 2018-19, TAFE Queensland generated more than \$31.0 million in international training revenue as a direct result of its overseas related expenditure of \$551,946, or 1.8% of total international training revenue.

In 2019-20, TAFE Queensland has budgeted international training revenue of more than \$32.5 million and overseas related expenditure of \$669,775, representing 2% of total international training revenue.

During the two years 2018-19 and 2019-20, TAFE Queensland will have an average of \$610,831 per annum of overseas related expenditure or 1.9% of total budgeted international training revenue.

TAFE Queensland's overseas related expenses are:

<b>Region*</b>	<b>Countries*</b>	<b>2018-19 Est. Act. Cost to TAFE</b>	<b>2019-20 Budget Cost to TAFE</b>
Africa	Kenya, Zimbabwe, South Africa	\$207	\$9,800
Europe	United Kingdom, Belgium, Denmark, France, Germany, Italy, Netherland, Sweden	\$16,066	\$9,500
Greater China & Mongolia	China, Hong Kong, Macao, Mongolia, Taiwan	\$303,667	\$412,200
Latin America	Brazil, Chile, Colombia, Ecuador, Mexico, Peru	\$47,038	\$8,725
North America	United States of America, Canada	\$10,794	\$9,500
North Asia	Japan, Republic of Korea	\$21,530	\$42,250
Pacific	Fiji, Kiribati, Nauru, New Zealand, Papua New Guinea, Samoa, Solomon Islands, Timor-Lester, Tonga, Vanuatu	\$33,873	\$33,200
South Asia	Nepal, India	\$6,333	\$9,500
South East Asia	Brunei Darussalam, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, Vietnam	\$112,438	\$135,100
<b>TOTAL</b>		<b>\$551,946</b>	<b>\$669,775</b>

\*To maximise return on investment, often more than one country is visited when travel is undertaken for Sales and Recruitment purposes. As such, overseas travel related expenditure is provided by region.

## ESTIMATES QUESTION ON NOTICE

### No. 12

#### QUESTION:

With reference to the Department of Employment, Small Business and Training capital budget for 2019-20, will the Minister provide a detailed list of approved projects, including (a) the budget and scope of each project, (b) the scheduled date of completion and (c) whether the completion timeframe for individual projects has been extended (reported in table format)?

#### ANSWER:

The Department of Employment, Small Business and Training will more than double its capital budget in 2019-20 to \$105.8 million.

Key projects include upgrades at TAFE campuses on the Gold Coast, Alexandra Hills and Mt Gravatt, while continuing works at Pimlico in Townsville and Toowoomba.

Investing in fit-for-purpose training infrastructure is essential to ensure Queenslanders can access the skills they need to get a job and pursue an exciting career in our state's growing industries.

Location	(a) Total Capital Budget 2019-20	(a) Description of works	(b) Estimated Date of Completion	(c) Timeframe extended?
Alexandra Hills	\$10,000,000	Improve facilities to support delivery of Engineering, Plumbing and Construction Trades training facilities, and expand Plumbing Trades facilities, and Nursing and Allied Health facilities.	Design phase, completion date to be determined.	n/a
Ashmore	\$10,000,000	Infrastructure projects towards developing a new Trades training building.	Design phase, completion date to be determined.	n/a
Mount Gravatt	\$15,000,000	Stage 2 works of the Fashion Centre of Excellence, improvements the campus experience and learning spaces.	Design phase, completion date to be determined.	n/a
Pimlico	\$13,920,000	Funding to continue works on new building and additional funding to revitalise nursing, hair and beauty facilities (D Block).	New building to be completed in November 2019, upgrades to D Block to be completed by June-2020	No

Location	(a) Total Capital Budget 2019-20	(a) Description of works	(b) Estimated Date of Completion	(c) Timeframe extended?
Southport	\$5,000,000	Consolidate and upgrade Nursing and Allied Health training facilities.	Design phase, completion date to be determined.	n/a
Toowoomba	\$5,028,000	Funding to continue works to develop a new Rural Centre of Excellence, upgrade Nursing training facilities, and upgrade General Learning areas.	All projects completed by Nov-2019	Yes*
State-wide	\$25,000,000	Safety and Compliance upgrades	Ongoing in 2019/20	n/a
State-wide	\$21,900,000	Maintain facilities and minor upgrades	Ongoing in 2019/20	n/a
<b>Total</b>	<b>\$105,839,000</b>			

\*Minor delays of a 2-4 weeks in construction at Toowoomba TAFE are due to wet weather and remediation works.

## ESTIMATES QUESTION ON NOTICE

### No. 13

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#### QUESTION:

With reference to the Department of Employment, Small Business and Training departmental budget summary on SDS page 9, will the Minister advise the total annual expenditure relating to conferences, workshops, catering and other hospitality expenses by departments and agencies under the administration of the Minister for 2018-19 and the budgeted amount for 2019-20?

#### ANSWER:

With reference to page 9 of the SDS relating to the expenses of the Department of Employment, Small Business and Training, total annual expenditure for the department relating to conferences, workshops, catering and other hospitality expenses for 2018-19 is \$1,024,358.

This equates to less than 0.1% of the department's total budget.

<b>Cost Elements</b>	<b>Actual Costs</b>
Staff Training & Development Costs	\$262,208
Entertainment*	\$288,412
Refreshments & Light Meals	\$138,431
Venue Hire	\$324,268
Training/Seminar costs for external participants	\$11,039
<b>Grand Total</b>	<b>\$1,024,358</b>

\* *WoG chart of accounts defines entertainment as expenses related to food, drink and other recreational activities.*

The estimated budget amount for 2019-20 is \$950,000.

## ESTIMATES QUESTION ON NOTICE

### No. 14

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#### QUESTION:

With reference to the Department of Employment, Small Business and Training small business \$10 million disaster recovery package service area highlight on SDS page 5 – will the Minister detail the state government's allocated contribution amount in table format broken down by (a) small business grant funding, (b) Small Business Recovery Centre, (c) Go Local advertising campaign, (d) mentoring for growth sessions and workshops, (e) all other allocations?

#### ANSWER:

The business community in North and North West Queensland has shown tremendous spirit as they bounce back from the devastating impacts of the monsoon trough. By providing this continued assistance, the Queensland Government has shown that it is committed to ongoing support for small businesses and the recovery of the entire community.

The \$10 million business and industry support package is a component of the \$242 million Extraordinary Assistance Disaster Recovery Funding Arrangements (DRFA) Package to support Queensland communities in the long term recovery effort from the North and North West Queensland Monsoon Trough.

The package is jointly funded by the Federal and State Governments.

The Department of Employment, Small Business and Training has been allocated responsibility for implementation of the \$10 million package to support small businesses to recover and build resilience.

This package will supplement and continue the unprecedented support that has been provided to impacted small businesses in the wake of the natural disaster. This support includes other DRFA financial assistance programs for loans and grants, as well as the establishment of the Small Business Recovery Centre in Townsville, a north west Queensland outreach program and ongoing support provided by the Queensland Small Business Champion.

DESBT is continuing to take a collaborative, partnership approach with key stakeholders from the small business community in North and North West Queensland in designing and delivering the package.

The individual elements of the \$10 million business and industry support package include:

<b>Project</b>	<b>Purpose</b>	<b>Funding</b>
Small Business Grants	<ul style="list-style-type: none"> <li>• \$10,000 resilience and prevention grant – to assist with business plans, retraining and coaching, additional financial counselling and building resilience;</li> <li>• building, plant and equipment repairs grants subject to eligibility criteria - \$10,000 grants available</li> <li>• grants will be available via a rolling program over the two year period which commenced on 10 June 2019.</li> </ul>	\$3 Million
Business Mentoring and Coaching	<ul style="list-style-type: none"> <li>• growing the capability of regional mentors to support local small business community</li> <li>• incorporates Mentoring for Recovery / Mentoring for Growth workshops and sessions</li> </ul>	\$2 Million
Business Development and Support for Recovery and Business Continuity Planning	<ul style="list-style-type: none"> <li>• provision of access to specialist services / advisors including insurance and financial services and adaptation programs</li> </ul>	\$1 Million
Go Local campaign	<ul style="list-style-type: none"> <li>• tailored campaign with local content to support all recovery and resilience activities, including events</li> </ul>	\$2.5 Million
Small Business Recovery Centre	<ul style="list-style-type: none"> <li>• Townsville based for co-ordination of outreach and small business recovery activities</li> <li>• Stakeholder interactions and advice are driving services and delivery.</li> </ul>	\$1.5 Million

This package is available across the following 14 local government areas impacted by the monsoon trough:

- Burdekin, Burke, Carpentaria, Charters Towers, Cloncurry, Croydon, Douglas, Etheridge, Flinders, Hinchinbrook, McKinlay, Richmond, Townsville and Winton local government areas

## ESTIMATES QUESTION ON NOTICE

### No. 15

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#### QUESTION:

With reference to TAFE Queensland's total expenses on SDS page 19 – will the Minister detail the budgeted and actual spend by TAFE Queensland on student management IT for 2018-19?

#### ANSWER:

TAFE Queensland is committed to ensuring world class information and communication technologies (ICT) for students.

It is through the student management system that TAFE Queensland is able to provide high quality services to its students. Functions and benefits include, but are not limited to, accurate and efficient processing of student enrolments, course fees, payment plans, student results and printing of awards.

TAFE Queensland's budget and actual spend for direct IT operational expenditure relating to TAFE Queensland's existing student management systems for 2018-19 was below budget by \$707,699, as per below.

<b>Year</b>	<b>Budget</b>	<b>Actual</b>
2018-19	\$3,541,450	\$2,833,154

## ESTIMATES QUESTION ON NOTICE

### No. 16

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#### QUESTION:

With reference to the Department of Employment, Small Business and Training departmental budget summary on SDS page 9 - will the Minister detail, broken down by individual subsidised training program (Certificate 3 Guarantee, User Choice, Skilling Queenslanders for Work, Higher Level Skills, and Free TAFE), since the Department's establishment - (a) the combined contract value of all alleged breach of contractual arrangements, and (b) the number of occasions where a contracted non-government service provider was investigated for an alleged breach of contractual arrangement?

#### ANSWER

As advised in Question on Notice 206 answered on 29 March 2019, DESBT has appropriate processes in place to identify breaches of contractual arrangements with registered training providers who participate in Queensland's pre-qualified supplier network of training providers. These normal checks and balances are part of the Department's role in what is a robust vocational education and training market (VET).

For the purposes of answering this question, a breach of contracted arrangements with a Pre-Qualified Supplier (PQS) for subsidised training is considered when financial terms and conditions of the contract have not been met leading to an invoice to recover payments supplied. Each invoice to recover payment is counted as one breach.

The department may be required to recover funds paid to a PQS for various reasons including audits conducted which identify non-compliances, PQS submitting claims data that includes incorrect outcomes for students; removing data; altering delivery locations which may affect the loading paid (SEQ, Country, Remote) or changing the concessional status of students.

**a)** In the period 12 December 2017 to 30 June 2019, my department has sought the recovery of a total of \$3,191,458 of funding related to breaches of contractual arrangements in subsidised training programs. This represents less than 1% of total expenditure on subsidised training programs.

As at 30 June 2019, all but \$559,169 of this amount has been repaid by the relevant PQS in question through the issuing of invoices. The remaining amount is in progress and it expected to be repaid without the need for further investigation. The breakdown of the values by program is as follows.

	<b>Combined value of invoices requiring repayment</b>
Certificate 3 Guarantee	\$1,266,787
User Choice	\$1,496,274
Skilling Queenslanders for Work	\$0
Higher Level Skills	\$405,764
Free TAFE*	\$22,631
<b>TOTAL</b>	<b>\$3,191,458</b>

b) For the period 12 December 2017 to 30 June 2019, my department has identified 148 breaches of contractual arrangements for non-government service providers.

## ESTIMATES QUESTION ON NOTICE

### No. 17

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#### QUESTION:

With reference to the Department of Employment, Small Business and Training VET Investment Plan balance sheet major variation 13 on SDS page 14. Will the Minister detail by individual financial year the estimated and actual total VET investment for 2016-17, 2017-18 and 2018-19?

#### ANSWER:

The total Training and Skills SDS budget estimated and actuals are detailed below:

	Estimated	Actual
2016-17	\$1,061.1m	\$1,014.6m
2017-18	\$ 959.0m	\$ 973.4m
2018-19	\$ 958.3m	\$ 958.3m (Estimated Actual)

#### Notes:

The 2017-18 Estimated and Actual budget figures are derived from six months of Education Queensland figures combined with the Department of Employment, Small Business and Training's (DESBT) first six months of operations from establishment in January 2017.

The 2016-17 Estimated and Actual budget figures include some cost centres not transferred as part of the machinery of government changes and the establishment of DESBT.

The 2018-19 Audited Actual is to be finalised by 31 August 2019 in line with statutory timeframes therefore the estimated actual has been provided.

## ESTIMATES QUESTION ON NOTICE

### No. 18

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#### QUESTION:

With reference to the SDS, will the Minister outline how many registered training organisations that have received state government funding to train Queensland students which are currently under investigation for failing to provide the required training outcomes?

#### ANSWER:

One of the ways the Queensland Government oversees the performance of registered training organisations (RTOs) approved to deliver training by the Australian Skills Quality authority, is by monitoring performance through contract management and compliance arrangements.

Quality in training and protecting Queenslanders from unscrupulous RTO's is paramount. This means that RTOs who fail to meet strict requirements determined by the Department, may lose their pre-qualified supplier (PQS) status and no longer be able to deliver government subsidised training.

As at 25 July 2019, there are currently 12 registered training organisations (RTOs) that have been issued directives by the Department to cease enrolments pending investigation under their pre-qualified supplier (PQS) agreements.

Since 2016, 304 PQS have been removed from the system due to a range of issues, including as a result of strict compliance measures through the vocational education and training (VET) Quality Framework.

## ESTIMATES QUESTION ON NOTICE

### No. 19

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#### QUESTION:

With reference to the SDS, can the Minister outline what funding has been specifically allocated to TAFE Queensland in 2019/20 to provide training to apprentices and trainees in rural and remote Queensland?

#### ANSWER:

TAFE Queensland has been delivering quality education and training services to communities and industry partners across Queensland for over 136 years.

TAFE Queensland is the State's largest public provider and will continue to focus on delivering high quality vocational education and training with strong student outcomes that support industry and employer skill needs and the prosperity of Queensland communities.

Providing a state-wide reach from more than 50 locations throughout Queensland, TAFE Queensland campuses can be found from Thursday Island in the north, down to the Gold Coast in the south east corner and as far west as Mount Isa.

Through its extensive regional presence, TAFE Queensland continues to play an important role in Queensland communities; supporting and empowering community members to invest in their own social and economic future through the delivery of training relevant to local industry and job opportunities.

Investment in training for apprentices and trainees is managed through a demand-driven system. As a result, the funding available for TAFE Queensland in 2019-2020 will depend on the number of individuals that take up an apprenticeship and traineeship in rural and remote areas with TAFE Queensland.

As at 25 July 2019, TAFE Queensland accessed more than \$43.1 million in 2018-2019 through these funding arrangements to provide training to more than 17,000 students in rural and remote Queensland. This includes more than \$24.3 million for more than 6,500 apprentices and trainees in rural and remote Queensland. It should be noted that investment is expected to increase as TAFE Queensland, like other registered training organisation, have until 30 September to claim for training delivered in 2018-19.

This demonstrates the importance of TAFE Queensland as the single largest provider of training for apprentices and trainees in rural and remote Queensland.

## ESTIMATES QUESTION ON NOTICE

No. 20

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### QUESTION:

With reference to the SDS, will the Minister outline what accountability TAFE Queensland has to the State when allocating state government funds to contract registered training organisations?

### ANSWER:

TAFE Queensland was established as a statutory body on 1 July 2013 under the *TAFE Queensland Act 2013* (the Act) and reports to me as the Minister for Training and Skills Development via the TAFE Queensland Board.

TAFE Queensland does not allocate government funding to training organisations but does form training partnerships with them as required. Where TAFE Queensland enters into such partnerships, it undertakes a comprehensive process for assessing potential third party providers prior to entering into any training agreement, including conducting a variety of due diligence checks.

To be eligible to deliver training and assessment services subsidised by the Department of Employment, Small Business and Training, a registered training organisation (RTO) must have pre-qualified supplier (PQS) status.