

10 APR 2014

Mrs Rosemary Menkens MP
Chair
Education and Innovation Committee
Parliament House
BRISBANE QLD 4000

Dear Mrs Menkens

I write to provide you with information in response to the question raised by Mr Ray Hopper MP, Deputy Chair and Member for Condamine regarding the payment of returns under the TAFE Queensland (Dual Sector) Amendment Bill 2014 (the Bill). I note that this issue arose as part of the second departmental briefing held by the Education and Innovation Committee (the Committee) on 2 April 2014.

I understand that in particular, the member requested further advice on whether revenue raised as a consequence of a return payable would be reinvested in vocational education and training (VET) as a matter of course. Officials from the Department of Education, Training and Employment undertook to provide the Committee with this information as soon as practicable after the departmental briefing.

The Bill inserts provisions into the *TAFE Queensland Act 2013* (new part 4A, division 6) providing for the payment of an annual return to the State from the performance of its VET operations. The provisions prescribe the process for determining the amount of any return paid. As the legislation is silent on the use of funds returned to the State under the new provisions, any returns would be paid to the Consolidated Fund as State Revenue. Its use would then be determined by the Cabinet Budget Review Committee. This process does not preclude the Government from reinvesting revenue raised back into VET.

I trust this information is of assistance and I look forward to receiving a copy of the Committee's report in late April 2014.

Yours sincerely



DR JIM WATTERSTON
Director-General

Ref: 14/CLLO