

Annual Report 2003

Department of **Employment and Training**





About this report

This annual report provides an overview of the Department of Employment and Training's performance and activities in 2002-03.

As a key corporate governance tool, the report provides the Minister for Employment, Training and Youth with financial and other information to assess the department's efficiency and effectiveness, as required by the *Financial Administration and Audit Act 1977*.

The report targets the information needs of Queenslanders with an interest in the department's activities. Interest groups include employers, community organisations and training industry stakeholders.

The report documents achievements and activities towards the goals and strategies outlined in the department's major planning tool, the *Strategic Plan 2002-06*.

To obtain further copies of the report, or to provide feedback, please phone 07 3237 9807, email annual.report@det.qld.gov.au or visit our website: www.det.qld.gov.au.

About our department

The Department of Employment and Training is responsible for Queensland's vocational education and training system, employment initiatives and youth participation programs.

The department makes a critical contribution to three Queensland Government priorities:

- More jobs for Queensland – skills and innovation – The Smart State
- Building Queensland's regions
- Community engagement and a better quality of life.

Our activities also contribute to the other key priorities:

- Safer and more supportive communities
- Valuing the environment.

Our vision:

Queenslanders excelling in learning, skilling and work for personal, community and economic prosperity.

The department helps Queenslanders reach their potential by:

- managing, monitoring, planning and funding the vocational education and training system for maximum effectiveness and responsiveness
- delivering over 800 courses through 15 TAFE institutes and four agricultural colleges
- funding and managing employment programs under the *Breaking the Unemployment Cycle* initiative
- supporting young people, through the Office of Youth Affairs, to participate in government processes and decisions that impact on their lives.

A network of regional offices, TAFE campuses and agricultural colleges throughout Queensland ensures the department can support local communities, industries and individuals to find solutions to local needs.

Our values:

- Leadership
- Teamwork and partnering
- Accountability
- Excellence
- Integrity
- Learning

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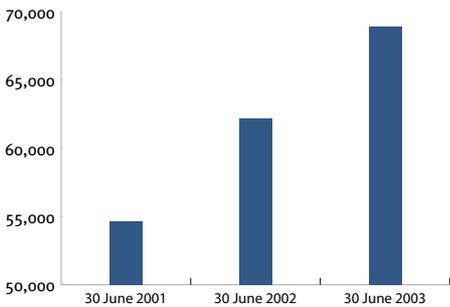
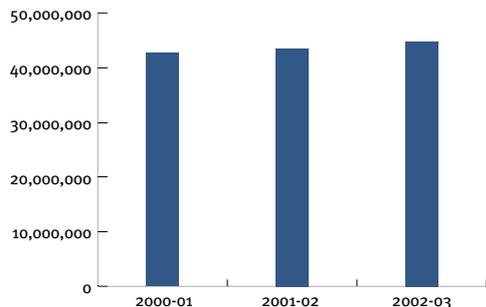
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The department's 2002-06 Strategic Plan commits the department to achievement against four goals, as summarised on the following pages.

Goal	Skills, Employment and Community Capability																													
Desired Outcomes	<p>Increase Queensland's qualifications profile to meet or exceed the average of the top 10 Organisation for Economic Cooperation and Development (OECD) countries by 2010.</p> <p>Increase access to the labour market by all sections of the community.</p> <p>Improve the capability of individuals to participate in, and contribute to, their communities.</p>																													
Achievements in 2002-03	<p>The <i>Breaking the Unemployment Cycle</i> initiative achieved its six-year target early, supporting 56,000 people into jobs by May 2003 – more than 12 months ahead of schedule.</p> <p>A review of the <i>Breaking the Unemployment Cycle</i> initiative highlighted successes from the range of employment programs, resulting in recommendations for its continuation beyond the planned 2004 completion date.</p> <p>More than 304,000 people – 11.1% of Queensland's population of 15 to 64 year olds – undertook vocational education and training through TAFE Queensland institutes, agricultural colleges and other contracted training organisations.</p> <p>The department supported Queensland's economic development through initiatives including the Central Queensland Training and Employment Strategy and Aviation Australia Pty Ltd.</p> <p>Queenslanders won four of the ten national awards at the 2002 Australian Training Awards.</p> <p>All three Queenslanders who competed in the 2003 International Worldskills competition won medals.</p>																													
Results	<div style="display: flex; justify-content: space-around;"> <div data-bbox="363 1137 845 1523"> <p>Students in TAFE, agricultural colleges and publicly-funded training</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Students</th> </tr> </thead> <tbody> <tr> <td>2000-01</td> <td>294,000</td> </tr> <tr> <td>2001-02</td> <td>289,000</td> </tr> <tr> <td>2002-03</td> <td>304,000</td> </tr> </tbody> </table> </div> <div data-bbox="925 1137 1396 1523"> <p>Breaking the Unemployment Cycle initiative employment outcomes</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Target</th> <th>Actual</th> </tr> </thead> <tbody> <tr> <td>1998-99</td> <td>8,000</td> <td>11,000</td> </tr> <tr> <td>1999-00</td> <td>18,000</td> <td>23,000</td> </tr> <tr> <td>2000-01</td> <td>28,000</td> <td>33,000</td> </tr> <tr> <td>2001-02</td> <td>39,000</td> <td>46,000</td> </tr> <tr> <td>2002-03</td> <td>49,000</td> <td>58,000</td> </tr> <tr> <td>2003-04</td> <td>56,000</td> <td>56,000</td> </tr> </tbody> </table> </div> </div>	Year	Students	2000-01	294,000	2001-02	289,000	2002-03	304,000	Year	Target	Actual	1998-99	8,000	11,000	1999-00	18,000	23,000	2000-01	28,000	33,000	2001-02	39,000	46,000	2002-03	49,000	58,000	2003-04	56,000	56,000
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Challenges	<p>Queensland's qualifications profile remains lower than the national level, and lags well behind the top 10 OECD countries, requiring concerted effort to reach our goal.</p> <p>Employment outcomes and qualification levels from vocational education and training for women, Indigenous people and people with a disability remain below those for the rest of the population.</p>																													
Future focus	<p>Implementation of the Queensland Government's <i>Education and Training Reforms for the Future</i> will be a priority for the vocational education and training system and employment programs.</p> <p>The department will develop integrated approaches to meet critical skills shortages in targeted industries including aviation, seafood, sport and recreation, information technology, creative industries, manufacturing, nursing and childcare.</p> <p>Through the <i>Breaking the Unemployment Cycle</i> initiative, the department will provide employment opportunities and support for people who are disadvantaged in the labour market.</p>																													
Full report	<p>Page 12</p>																													

This table summarises the department’s performance for 2002-03, the challenges confronted, and major initiatives planned for the coming year.

Employment, Training and Youth Initiatives	Goal																
<p>Improve access to, and opportunities for, employment and enhanced quality of life.</p>	<p>Desired Outcomes</p>																
<p>A record number of apprentices and trainees undertook training, with almost 69,000 in training at 30 June 2003.</p> <p>School-based apprenticeships and traineeships increased by 13.8% compared with the previous year.</p> <p>The <i>Breaking the Unemployment Cycle</i> initiative assisted 14,275 people into jobs.</p> <p>TAFE delivered 7% more training compared with the previous year – 2.93 million additional hours of training.</p> <p>Through the Central Queensland Training and Employment Strategy, more than 1,000 people gained skills to benefit from the opportunities arising from the growth of the region’s light metals industry.</p> <p>64,000 young people became involved in community and government decision-making – more than double the number targeted.</p>	<p>Achievements in 2002-03</p>																
<div style="display: flex; justify-content: space-around;"> <div data-bbox="153 1003 550 1032"> <p>Apprentices and trainees in training</p>  <table border="1"> <caption>Apprentices and trainees in training</caption> <thead> <tr> <th>Date</th> <th>Number</th> </tr> </thead> <tbody> <tr> <td>30 June 2001</td> <td>55,000</td> </tr> <tr> <td>30 June 2002</td> <td>62,000</td> </tr> <tr> <td>30 June 2003</td> <td>69,000</td> </tr> </tbody> </table> </div> <div data-bbox="703 1003 1259 1032"> <p>TAFE training delivery – hours of training delivered</p>  <table border="1"> <caption>TAFE training delivery – hours of training delivered</caption> <thead> <tr> <th>Year</th> <th>Hours</th> </tr> </thead> <tbody> <tr> <td>2000-01</td> <td>42,000,000</td> </tr> <tr> <td>2001-02</td> <td>43,000,000</td> </tr> <tr> <td>2002-03</td> <td>44,000,000</td> </tr> </tbody> </table> </div> </div>	Date	Number	30 June 2001	55,000	30 June 2002	62,000	30 June 2003	69,000	Year	Hours	2000-01	42,000,000	2001-02	43,000,000	2002-03	44,000,000	<p>Results</p>
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<p>The <i>Breaking the Unemployment Cycle</i> initiative review found that the initiative needed to improve its focus on providing opportunities for women, people from non-English speaking backgrounds and mature-aged jobseekers.</p> <p>Mature-aged unemployment continues to pose challenges and complexities, necessitating innovative and flexible responses.</p> <p>Despite the Australian Quality Training Framework’s requirement for registered training organisations to undertake Recognition of Prior Learning for vocational education and training students, the level of this activity remains low in Queensland and nationally.</p>	<p>Challenges</p>																
<p>A new employment program, <i>Get Set for Work</i>, will provide 300 places for 15 to 17 year olds to re-engage with work or learning.</p> <p>Incentives for employers will encourage employment of 230 additional school-based apprentices and trainees.</p> <p>The department will identify opportunities to improve Recognition of Prior Learning in Queensland, and will pilot initiatives with TAFE institutes.</p>	<p>Future focus</p>																
<p>Page 23</p>	<p>Full report</p>																



Goal

Strategic Policy, Planning and Partnering

Desired Outcomes

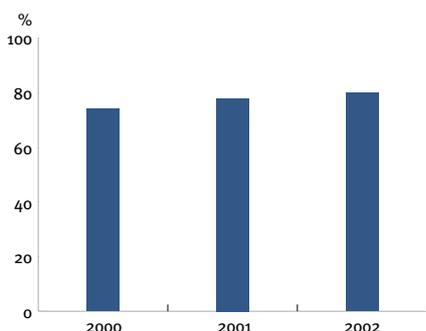
Influential and astute leadership in the development and implementation of state and national public policy.

Achievements in 2002-03

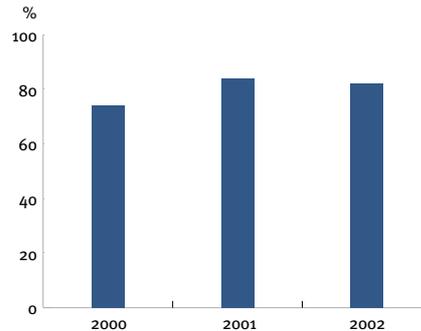
The department, with Education Queensland, developed the *Education and Training Reforms for the Future* white paper. Queensland initiated a national Ministerial Declaration on youth transitions, *Stepping Forward – Improving Pathways for Young People*. Queensland took a national leadership role in promoting Australia-wide application of the Indigenous Employment Policy for Queensland Government Building and Construction contracts. The state demonstrated commitment to the national training agenda, with 87% of the state’s apprentices and trainees enrolled in training package qualifications – an increase of 30% from the previous year.

Results

Client satisfaction with the department’s services



Employer satisfaction with the training system



Challenges

Industry investment in training continues to remain lower than desired. In particular, industry investment in the central Queensland region needs to improve if it is to fully meet targets set through the Central Queensland Training and Employment Strategy.

Forthcoming changes to the Federal Government’s employment programs will require a more collaborative approach in order to avoid duplication and take advantage of synergies.

Future focus

The department will develop policies and strategies to grow investment in vocational education and training from non-government sources.

A new investment framework will be implemented for User Choice (apprenticeship and traineeship) funding to ensure government investment continues to target economic and social imperatives.

Full report

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Organisational Capability

Goal

Highly skilled and motivated people in a sustainable organisation that is recognised as clever, responsive, creative and innovative.

Desired Outcomes

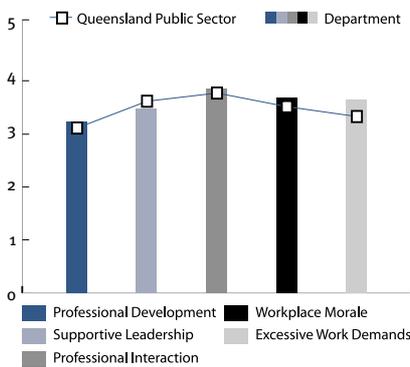
TAFE Queensland institutes increased productivity by 4.19% compared with 2001-02, delivering 7,427 hours of training for each full-time equivalent staff member.

94 to 99% of training organisations audited by departmental staff during the year were satisfied or very satisfied with the audit process.

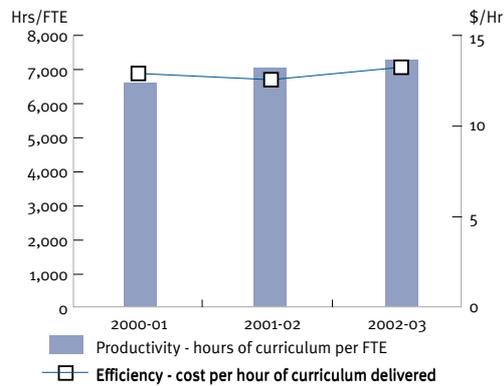
A cross-departmental employee survey revealed favourable comparisons with Queensland public sector agencies on measures including staff morale and professional interaction, knowledge sharing and teamwork, and customer service.

Achievements in 2002-03

Staff survey results



TAFE productivity and efficiency



Results

While TAFE productivity improved by 4.19%, efficiency fell by 5.09%, mainly due to increases in labour costs.

Women continue to be under-represented in senior officer positions and above within the department.

Several areas that were highlighted as concerns during the staff survey included work demands and work unit leadership support.

Challenges

Strategic interventions based on the employee survey will target improvement in leadership, teamwork and work demands.

The department will align its annual planning and budgeting cycle to more closely match resource allocation to strategy development.

Development and implementation of an information and communication technologies strategy will ensure the department is positioned for the future.

The department will develop a workforce capability profile and align staff learning and development opportunities with it.

Risk management processes will be implemented across the department to support informed and consistent communication and business practices.

Future focus



"Our vision focuses on building Queensland as a Smart State, where all citizens have access to learning, skilling and work."

Jim Varghese, Director-General

Outstanding results through performance, relationships and alignment

As a department, we have set ourselves some ambitious targets. In 2002-03, we exceeded several key targets and made solid progress towards achievement of our longer-term goals. We achieved some outstanding successes and consolidated our improved position from the previous year.

This annual report demonstrates our contribution to the Queensland Government's key goals. It also reflects our focus on priorities outlined by the Minister for Employment, Training and Youth, particularly providing services for young people and Indigenous Queenslanders and building training and employment opportunities in the creative industries.

The department's vision recognises that learning, skilling and work are fundamental to Queenslanders' personal, community and economic prosperity.

Major achievements by this department in 2002-03 have placed Queenslanders in a better position than ever to achieve their full potential through education, training, employment and community participation.

The strong links between learning, skilling and work are at the heart of the department's work. During 2002-03 we further integrated our thinking and activity around training delivery, policy and planning, employment support and youth participation.

The success of the *Breaking the Unemployment Cycle* initiative in reaching its six-year target – supporting 56,000 people into employment – more than a year ahead of schedule, is a remarkable achievement. In the process, these participants gained the skills that will help them secure sustainable work or move into further education and training.

The department's contribution to the Queensland Government's ground-breaking *Education and Training Reforms for the Future* has positioned the state to develop the skilled population we need for success in the information age. Reforms targeting 15 to 17 year olds will keep young people in education, training and work, avoiding the long-term consequences of disengagement for young people themselves and for the wider community.

TAFE Queensland institutes excelled in 2002-03, through both innovative strategic responses to individual and community skilling needs and sound financial management. Over the past year, TAFE institutes consolidated their financial turn-around, improved productivity and training output and increasingly focused on employment outcomes for students.

The department's achievements have been driven by a culture which values leadership, innovation, partnerships and performance. These capabilities underpin our successes, as demonstrated throughout this report.

A good example is the development of the Southbank Education and Training Precinct, which will be Australia's largest multi-sectoral campus. The department is exploring the possibilities offered by a Public-Private Partnership to develop the precinct, which will provide diverse education and training pathways for young people.

While we measure our success in terms of our delivery of the Queensland Government's key priorities, it is also important to recognise our internal achievements in aligning our systems and resources to better deliver outcomes.

During 2002-03, the department introduced the Three Frames management process, which uses three learning frames of reference – the Relationship Frame, the Performance Frame and the Alignment Frame – to build effective relationships, monitor and measure performance and align individual and organisational activities.

Using three frames principles, the senior management team collaborated to refine our strategic plan, adding measurable objectives to the department's existing outcomes targets. At the same time, we mapped accountabilities to remove duplication and structural blockages. We sharpened our focus and broke down organisational silos, improving our ability to help individuals, businesses and communities to succeed.

During the year, we further developed our performance management processes, including performance agreements, monitoring and reporting.

We have introduced a Balanced Scorecard reporting system to review financial and non-financial indicators of performance as we monitor implementation of the department's 2003-07 Strategic Plan.

Our corporate governance was improved through the creation of new positions of Chief Financial Officer and Chief Information Officer, appointment of an external chair to our Audit Committee and creation of two new management groups – the Business Management Executive and the Executive Team.

We managed our financial resources responsibly to achieve value-for-money service delivery. Financial highlights for the year included continuing improvements in financial performance by TAFE Queensland institutes, an overall increase in net equity and increases in export revenue.

Our end-of-financial-year operating deficit reflects backdated enterprise bargaining expenses and changes to asset depreciation reporting during the year. This improved financial reporting will improve asset management and replacement planning for the future. Without these unforeseen expenses, the department would have realised a net surplus of \$5.5 million due to improved financial performance by TAFE institutes.

As well as managing this department during 2001-02, I undertook the role of accountable officer for development of a shared service provider – Corporate Solutions Queensland – which we will host. Corporate Solutions Queensland will provide corporate services to a cluster of Queensland Government agencies from 1 July 2003.

“Consolidation of our resources and systems in 2002-03 has positioned us well to meet the challenges we face in 2003-04.

These challenges include:

- *increasing levels of industry investment in vocational education and training by persuading industry of the training system's enormous potential to drive business success in the future*
- *ensuring our employment and training programs have the inherent flexibility to adapt to changes in our external environment (in 2003-04, these changes will include modifications to Commonwealth Government employment services, and continuing growth in knowledge-based industries with high skill needs)*
- *targeting our resources to drive economic growth and achievement of government priorities, particularly through User Choice funding for apprenticeships and traineeships*
- *improving employment outcomes from vocational education and training for disadvantaged groups, by building on our success to date in increasing participation rates for these groups*
- *aligning people, systems and resources in our diverse organisation to effectively and efficiently achieve our objectives.”*

Jim Varghese



Initiative reaches target early

The Breaking the Unemployment Cycle initiative reached its six-year target more than a year ahead of schedule, helping 56,000 people like Katrina Connolly (above) into jobs.

Katrina was employed as a trainee by the Gimuy Cultural Development Aboriginal Corporation under the Youth for the Environment and Local Communities Program. The horticulture skills Katrina gained working on the first stage of the Cairns Esplanade Redevelopment project will help her gain ongoing work, as will the nationally-recognised qualification she gained in the process. Participants completed a Certificate II in Horticulture through the Tropical North Queensland Institute of TAFE.

In the coming year we will implement reforms to improve young people's outcomes in the education and training systems. We will continue to innovate in our training, employment and youth programs and we will continue to be recognised as national leaders in policy and partnerships.

2003-04 will also see improved alignment of our structures, people and systems to sharpen our business focus and improve outcomes. In particular, we will build on our ability to analyse markets and trends to target our products, services and funding for greatest benefit.

This annual report documents our performance during 2002-03 and our plans for the future. These are summarised in the performance summary on the previous pages, and elaborated on in the pages that follow. Case studies present real-life examples of the benefits of our programs for individuals, businesses and communities.

The report's structure is based on our 2002-06 Strategic Plan, presenting results for each of our key outcome areas and documenting achievement towards the strategies to which we committed through that plan. The financial summary, financial statements and corporate governance section provide assurance that we are managing the department in line with our social and fiscal responsibilities.

The achievements in this report combine to present an impressive picture of vocational education and training, employment programs and youth participation in this state. Through strong leadership, innovation, partnerships and performance, the Department of Employment and Training has increased every Queenslanders' access to excellence in learning, skilling and work.

Jim Varghese

Director-General

Financial summary 2002-03

To achieve its vision of learning, skilling and work for Queensland, the Department of Employment and Training administered a budget of \$884.8 million, funding training for 304,000 students and providing employment program assistance for 19,561 people.

In 2002-03, the department improved value for money in its delivery of services, and positioned itself well to meet Queensland's training, employment and youth needs in the future. TAFE Queensland institutes increased productivity by 4.19 per cent compared to the previous year.

Financial highlights for the year under review include:

- continued improvements in the financial performance of TAFE Queensland institutes
- improved financial management by the department, ensuring effective utilisation of cash against business priorities
- improved asset management through enhanced reporting and replacement strategies.

Financial performance

Full financial statements are provided at page 81 of this report, outlining the department's financial performance and position.

The department finished the 2002-03 year with an operating deficit of \$7.8 million. This was primarily due to a change in the accounting treatment of assets effective from 1 July 2002. This change resulted in a one-off \$10.2 million increase in depreciation expenses. A \$3.1 million expense for the forthcoming enterprise bargaining changes backdated to 1 June 2003 also increased the deficit. Without these unforeseen expenses, the department would have realised a net surplus of \$5.5 million due to the improved financial performance of TAFE institutes.

Financial position

The department maintained a sound financial position in 2002-03 with total liabilities at nine per cent of total assets, whilst investing \$21.553 million in TAFE Queensland infrastructure projects. This includes a major refurbishment at the Bracken Ridge campus, development of new business, tourism and hospitality training facilities at Mooloolaba and a new hospitality facility at Maryborough. This investment was offset by revaluations which reduced the asset value of the department's property, plant and equipment. The value of the department's intangibles increased through a \$14.3 million investment in the Institute Student Administration System program to streamline TAFE systems.

Aviation Australia Pty Ltd, the aviation centre for excellence controlled by the department, reported a \$3.6 million profit in 2002-03. The organisation's improved asset base will support its future growth. Aviation Australia's financial results are included in the consolidated figures presented in the department's financial statements in this report.

Expenses

Primary expenses are:

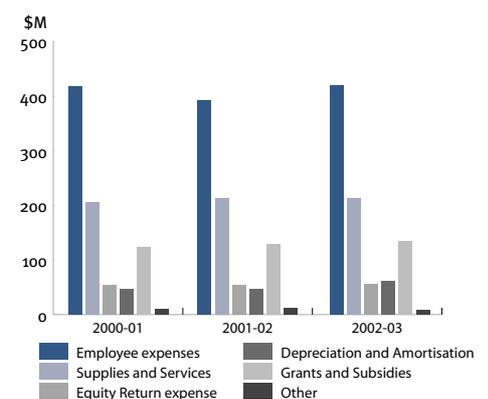
- employee costs
- supplies and services including payments for purchasing training from private training providers
- grants and subsidies including payments made through the *Breaking the Unemployment Cycle* initiative and grants to agricultural colleges, group training schemes, industry training advisory bodies, and apprentices and trainees for accommodation subsidies.

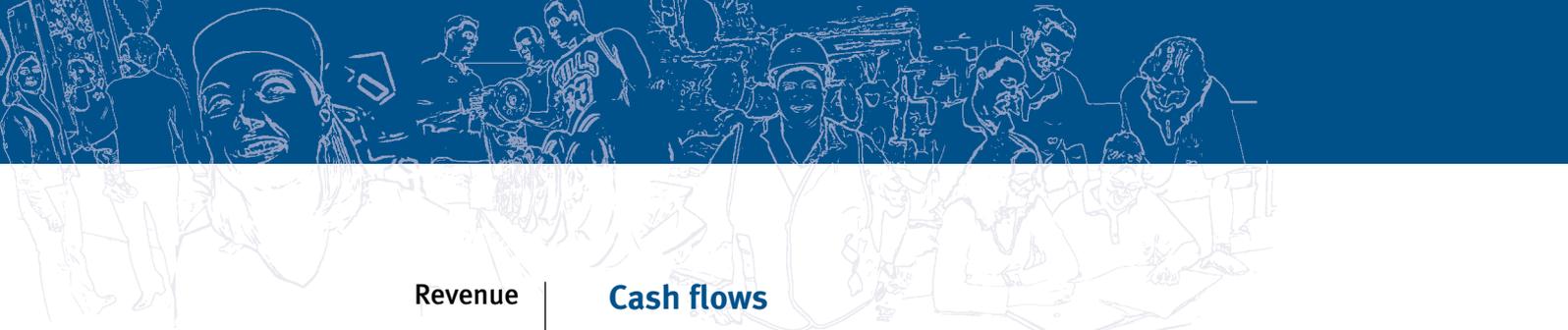
Expenses increased by \$44.1 million in 2002-03 compared to 2001-02.

This was mainly due to:

- a \$14.9 million enterprise bargaining increase in staffing costs
- a \$10.2 million one-off increase in depreciation costs
- a \$4.3 million grant to skill centres.

Expenses



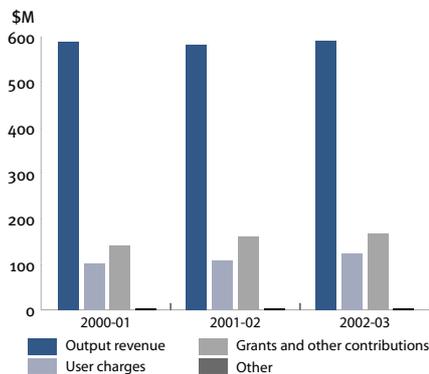


Revenue

The department's revenues increased by more than \$31 million compared to 2001-02. This increase comprised:

- \$9.6 million more in Queensland Government funding for the delivery of outputs
- \$14.5 million more in user charges mainly from increases in TAFE fee for service business including export activity and industry-funded training
- a \$6.6 million increase in Commonwealth funds mainly linked to growth funds for vocational education and training.

Revenue



Cash flows

The department maintained its positive cash position through more effective strategies for debtors and creditors management and the financing of equipment replacements. This is reflected in a \$17.6 million (23 per cent) reduction in net outflow for operating activities. There also was an increase of \$7.3 million (16.1 per cent) in investing activities offset by a net increase in loan funding and other financing activities of \$5.6 million.

This achievement provides a sound basis for financial management strategies to ensure future investment in infrastructure and capacity building.

Future outlook

The department has committed \$888.7 million for training, employment and youth initiatives in 2003-04 to deliver on government priorities and provide opportunities for improving the working, learning and personal lives of Queenslanders. This includes \$416 million to TAFE Queensland institutes and agricultural colleges for the provision of local, regional and state training priorities.

The department will continue to refine its management of assets through the implementation of an Asset Information Management System that will provide asset utilisation assessments and full life-cycle costing information to ensure optimal investment in infrastructure in future years.

The department will continue to develop its Financial Management Improvement Program and explore new avenues for funding future training, employment and youth initiatives through collaboration with industry, community and other agencies.

TAFE Queensland's International Marketing Strategy targets export activities and will continue to build international business with Japan, China, South Korea, Hong Kong and Taiwan, increasing user charge revenue for TAFE institutes.

Training facilities will be enhanced through a further capital investment of \$26 million in TAFE institutes, including:

- completing new campuses at Inala and Browns Plains
- developing an engineering and trades training facility at Maryborough
- developing a new community services, health and childcare facility in Toowoomba
- developing a new Noosa Arts and Environmental Tourism Centre at Tewantin.

Information and communication technology will be further enhanced through an investment of \$17.4 million, including the new TAFE Institute Student Administration System that will provide web-enabled assistance to students accessing course and institute information.

From 1 July the department will be the host agency for Corporate Solutions Queensland, a shared service provider to be used by a cluster of Queensland Government agencies. This business unit will be reported separately in the department's 2003-04 annual report.

Performance Reports

Project builds cultural skills

A Community Jobs Plan project prepared 20 Johnstone Shire Indigenous young people for employment in cultural tourism and hospitality.

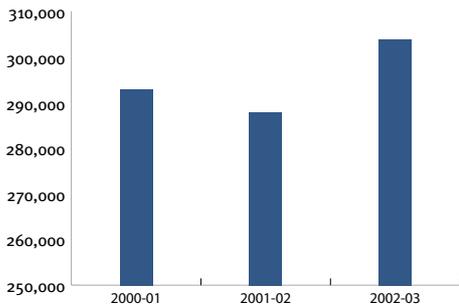
Project organiser Gerry Suhra (right) helped train Indigenous tour guides including (from left) Sean Masina, Jodie Brooks and Abby Howsan. Participants gained work experience with tourism operation Paronella Park and received training in Aboriginal dance, traditional language and music from Innisfail-based youth project the Boiler Room.

The project aimed to skill participants to become supervisors at a planned cultural tourism facility in the area. The long-term aim is to assist the local Indigenous community to achieve sustainable employment and economic self-sufficiency.

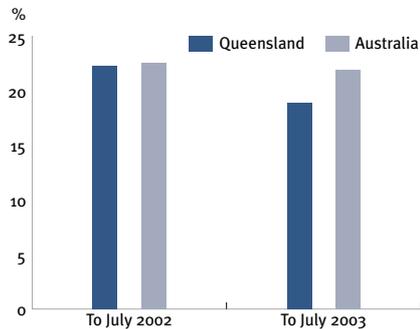


Results at a glance

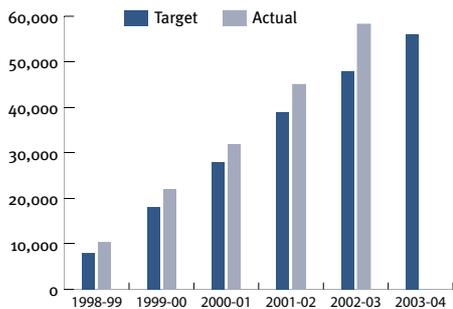
Student numbers – all TAFE, all agricultural colleges and publicly-funded training through other providers



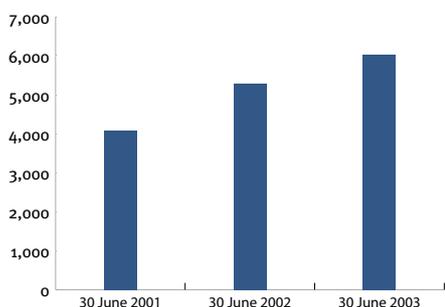
Proportion of unemployed people who are long-term unemployed (12 month averages)



Breaking the Unemployment Cycle initiative employment outcomes



School-based apprentices and trainees in training



Skills, employment and community capability

Commitment	Actual Performance	Result
Achieve 295,000 – 305,000 total number of vocational education and training students	304,000 students undertook training	Target achieved
Finalise review of the <i>Breaking the Unemployment Cycle</i> initiative	Review was finalised October 2002	Commitment achieved
Create 9,350 job opportunities through employment programs	14,275 job opportunities were created	Target exceeded
Involve 31,800 people in government decision-making processes through the Youth Participation Strategy	64,000 young people participated	Target exceeded

To achieve its vision – Queenslanders excelling in learning, skilling and work for personal, community and economic prosperity – the Department of Employment and Training aims to build skills, employment and community capability throughout the state.

The department supports Queensland individuals, employers, industries and communities through the vocational education and training system, employment programs and youth participation initiatives.

Vocational education and training

The department oversees the state's vocational education and training system, registering training organisations, monitoring training quality and managing apprenticeships and traineeships. Through its planning and purchasing activities, the department targets government funds and training infrastructure to support government, community and industry priorities and maximise value-for-money.

In conjunction with the school and university sectors, vocational education and training improves Queenslanders' qualifications, giving individuals the skills they need to gain and maintain work, and providing industry with the skilled workforce it needs to succeed.

In 2002-03, 304,000 students undertook more than 55 million hours of training delivered through TAFE institutes, agricultural colleges and publicly-funded programs conducted by other training organisations, exceeding the target of 48.56 million hours.

Queensland's training system continues to be recognised nationally. At the 2002 Australian Training Awards, Queenslanders won four of the ten major national training awards – Gary Richardson (Aboriginal and Torres Strait Islander Student of the Year), Tara Harding (Trainee of the Year), Alf's Smash Repairs (Prime Minister's Small Business of the Year) and Theiss (Employer of the Year).

Employment programs

The department manages and funds employment programs under the *Breaking the Unemployment Cycle* initiative. These programs help vulnerable Queenslanders develop skills to avoid or overcome long-term unemployment. Research here and overseas indicates that extensive job search and job preparation assistance is necessary for disadvantaged jobseekers to secure jobs.

The department's employment programs reduce the impact of long-term unemployment on individuals and communities, and help avoid skills shortages as the state's economic growth continues. One measure of our success is Queensland's relatively low level of long-term unemployment compared with the rest of Australia.

A review of the *Breaking the Unemployment Cycle* initiative, completed in October 2002, found that the initiative had proven to be successful in skilling long-term unemployed and other disadvantaged jobseekers so they could secure more lasting employment. The review found employment outcomes compared well with similar programs elsewhere and the employment projects offered wider economic benefits to communities.

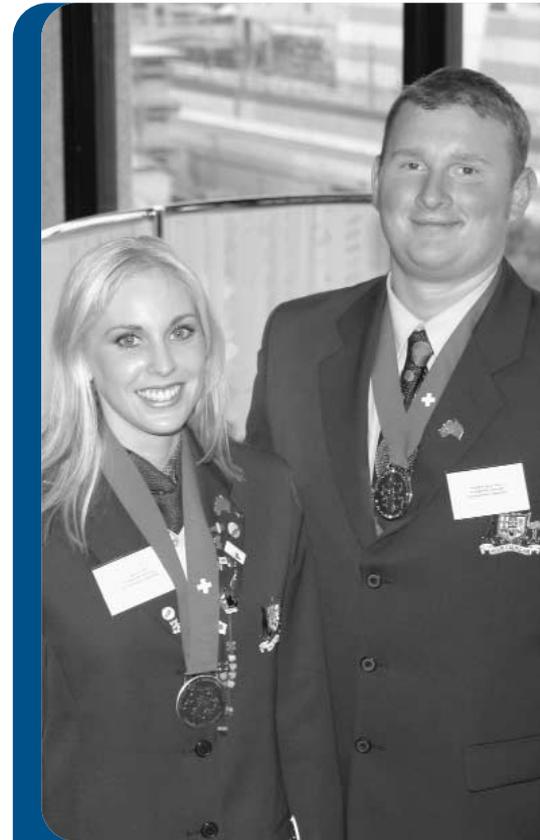
In 2002-03, employment programs assisted 19,561 people. In May 2003, the *Breaking the Unemployment Cycle* initiative achieved its six-year goal of providing 56,000 job placement opportunities for Queenslanders, more than 12 months ahead of schedule.

Youth participation initiatives

Through the Office of Youth Affairs, the department is responsible for increasing youth participation in government decision-making and community life. During the year, the department continued to implement the four major components of the Queensland Government's Youth Participation Strategy:

- the GENERATE youth website
- the State Youth Advisory Council
- the Get on Board Initiative
- Youth Participation Grants.

Through these initiatives, 64,000 young Queenslanders participated in government decision-making processes in 2002-03 – more than double the target.



Winners take on the world

Queensland's training system gained international recognition. Young Queenslanders excelled at the 2003 international Worldskills finals held at St Gallen, Switzerland. All three Queenslanders in the Australian team won medals: Tamara Jones (left) of Cairns Beauty Academy won a bronze medal in the beauty care category and Matthew Kues-Sales (right) from Logan Institute of TAFE won gold in the refrigeration category, while Dennis Jelinek (not pictured) from Brisbane North Institute of TAFE won a silver medal in the manufacturing challenge.



Meatworkers build new careers

Meatworkers displaced through an abattoir closure in the Rockhampton area are retraining as carpentry apprentices.

Capricornia Training Company received Breaking the Unemployment Cycle initiative funds in 2002-03 to retrain up to 40 displaced meatworkers over three years. The workers will help construct aged care units at a local retirement village before being placed with construction industry contractors to complete their apprenticeships.

Re-skilling these workers will help reduce mature-aged unemployment in the region, as well as providing skilled workers to fill local skill shortages. Domestic housing construction is expected to grow to accommodate workers attracted by major industrial projects underway in central Queensland.

Strategies

Develop and deliver innovative training and employment programs that skill people to better manage through multiple transitions within a changing environment

- The *Breaking the Unemployment Cycle* initiative's Mature Age Programs have assisted a total of 2,523 mature-age jobseekers. The following was achieved for mature-age jobseekers in 2002-03:
 - 295 eligible applications were received under the Experience Pays Wage Subsidy Program.
 - 121 apprenticeship and traineeship places were created under the Group Training Mature Age Project.
 - 1,000 people were assisted under the Back to Work Program.
 - 350 people were assisted through the 45 Jobs for Over 45s in 45 Weeks awareness campaign in Brisbane South.
 - 350 people received training and assistance under two industry training and brokerage projects.
 - 407 people received training and assistance through seven TAFE institutes under the Mature Age Employment Program.
- The innovative Worker Assistance Program assisted 711 retrenched workers during 2002-03. Following the closure of the Consolidated Meat Group's Lakes Creek abattoir in Rockhampton, 626 workers received training, job preparation, relocation and wage subsidy assistance to help them re-enter the workforce. The program also helped 41 employees from three businesses closed due to drought and the downturn in the sugar industry, and eight employees retrenched after the closure of a tree felling business near Nambour.
- To improve outcomes for Indigenous apprentices and trainees, 10 officers employed through community-based organisations provided culturally appropriate mentoring and support throughout Queensland. Early trend data from an external evaluation of the Indigenous Employment and Training Support Program in 2002 indicated the program was successfully increasing retention and completion rates for Indigenous apprentices and trainees. The officers also contributed to the development and implementation of employment and training initiatives targeting Aboriginal and Torres Strait Islander peoples, organisations and communities.
- A pilot project implemented in 2002-03 saw casual workers in the cotton and grain industries from Emerald to the New South Wales border develop generic skills. By acquiring skills that are recorded in a skills 'passport', itinerant workers improved their ability to maintain continuous work.
- Training and employment programs targeting people with a disability helped these Queenslanders improve their ability to access work, develop skills and

participate in their communities. During the year, funding for six Community Employment Assistance Program projects and 11 Community Jobs Plan projects benefited 423 people with a disability. Under the Public Sector Employment and Youth for the Environment and Local Communities programs, 4.6 per cent of all trainees recruited identified as a person with a disability. In addition, over \$1.98 million was invested in supported employment-related skills training for 513 people with a disability.

- Pilot projects to improve participation and completion rates of people with a disability commenced in October 2002 through Southbank and Central Queensland institutes of TAFE. The Commonwealth-funded pilots focus on ways to improve partnerships with government agencies, industry, employers, community organisations and employment agencies to improve outcomes. The pilots aim to involve 60 students studying towards higher-level qualifications in a range of industry areas.
- The department facilitated development of a customised pre-apprenticeship skills development program in engineering to allow fast-track entry into engineering apprenticeships. The program aims to increase the pool of future apprentices to meet anticipated skill shortages. In 2002-03, 163 people undertook the course.
- TAFE Queensland's Centre for Innovation and Development commissioned development of innovative training products to support teaching and learning. 21 products valued at over \$425,000 were completed in a range of flexible formats with another 15 products in progress at the end of the year.
- Tropical North Queensland Institute of TAFE introduced Australia's first fully online e-learning course. The program develops students' online facilitation and multi-media skills.
- The department continued to provide training for people in correctional centres. For example, The Bremer Institute of TAFE formed a partnership with Borallon Correctional Centre to deliver training programs that will assist inmates to re-enter society. Participants undertake courses including horticulture, information technology, literacy and numeracy. The partnership achieved an international first by achieving accreditation from the United States Correctional Education Association.



Medal recognises Rehana's achievements

2002-03 was a great year for Cairns artist Rehana Peters.

Rehana received a special certificate from Tropical North Queensland Institute of TAFE for completing the practical components of a Diploma of Visual Arts. She was also awarded a Centenary Medal for distinguished achievement in art and as a representative of people with a disability.

Since starting a ceramics course at the institute in 1994, Rehana has continued gaining technical skills while her work spoke for itself. Her paintings hang in Parliament House and Government House and in the collections of buyers in Australia and overseas.

Down Syndrome hasn't stopped Rehana achieving her dreams, thanks to talent, determination, supportive family and good teachers.



Alf's training is a smash hit

Alf's Smash Repairs of Innisfail won the Prime Minister's Small Business Employer of the Year award at the 2002 Australian Training Awards. This was the third consecutive year that a Queensland small business took out this prestigious award. Managing Director, Alf Gullotta, is an advocate for training for small business, having seen the benefits of skills development for his team of apprentice and trainee spray painters, panel beaters and windscreen glaziers.

Leverage increased investment by industry, organisations and individuals in skills development, employment and community capabilities

- TAFE institutes increased their fee-for-service business, generating user charge and other revenue of \$13.1 million above budget. Additional revenue came from increases in TAFE's export activity, industry-funded training, Commonwealth Language, Literacy and Numeracy Program revenue and tuition charges. TAFE research indicates an increase in the amount of training required by businesses, with businesses just as likely to use TAFE as to use private providers. TAFE is working closely with the business community to improve performance and to ensure teachers and trainers have up-to-date industry experience.
- The department sponsored the development of kits to detail industry expectations of registered training organisations. By providing industry input into the development of learning and assessment strategies by registered training organisations, the kits will improve the relevance of training provided and the employment outcomes for students. A kit for the construction industry was released in 2002-03, and others will be available in the new financial year.
- Community employment programs supported 255 community organisations, local government authorities and other public sector agencies to employ and train disadvantaged jobseekers for work on projects with social, environmental or economic benefits for their communities. These organisations make financial and in-kind contributions to the projects they deliver.
- In December 2002, the Queensland Government endorsed the development of the Southbank Education and Training Precinct incorporating the Southbank Institute of TAFE and the partial redevelopment of Brisbane State High School. When completed, the precinct will be Australia's largest multi-sectoral campus. The department sought expressions of interest from the private sector to deliver the project via a Public-Private Partnership. Through this process, the government is exploring whether such a partnership would deliver a cost-effective infrastructure solution.
- Additional training opportunities and jobs have been generated in the building and construction industry through the State Government Building and Construction Contracts – Structured Training Policy. Under this policy, 10 per cent of labour hours on state government construction projects must be provided by apprentices, trainees or cadets. In 2002-03, 1,494 training opportunities were created through this program.
- In 2002-03, the department took a skills ecosystem approach with several priority industries, regions and population groups. A skills ecosystem is a network of firms and supply chains that continually address the changing need for skill formation within that cluster. Examples include the Construction Training Strategy, the Statewide Childcare Training Strategy and the Central Queensland Training and Employment Strategy.

- Within two years of its establishment, TAFE Queensland Mining Services has witnessed a dramatic increase in the number of individual competencies delivered, and an increase in the number of student contact hours. Industry investment in training has also increased, leveraging government training funds and building a training culture. Because the fee-for-service training offered by TAFE Queensland Mining Service is responsive to industry needs, it has been well supported, as demonstrated in the table below.

Year	Government-funded hours of delivery	Fee-for-service hours of delivery	Total
2000-01	75,950	92,091	168,041
2001-02	113,029	146,823	259,852
2002-03	112,582	347,285	459,867

- During 2002-03, the department negotiated industry contributions of more than \$4 million to establish skill centres throughout Queensland.

Develop strategies for effective transitions for young people from school to work and further education and training

- The department worked with Education Queensland to develop the government's reform package, *Education and Training Reforms for the Future: A White Paper*. The reforms aim to support young people through their education so that every Queenslander achieves a Senior Certificate or a Certificate III through education or training, or participates in approved employment pathways. Under legislation to come into effect in 2006, all young people aged 15 to 17 will be required to participate in school, vocational education and training or approved employment.
- A number of national research projects conducted in 2002-03 examined issues relating to the quality of vocational education and training for school students. As a result of this work, and to support implementation of the *Education and Training Reforms for the Future*, the department began work on strategies to improve vocational education and training in schools. In conjunction with the Queensland Studies Authority, Education Queensland and the independent and Catholic school sectors, the department reviewed the policy framework to better support quality outcomes from vocational education and training for school students. Work began on strategies to strengthen structured work placements and partnerships with industry.
- School-based apprenticeships and traineeships continued to grow, with 6,023 in training at the end of June 2003 – an increase of 13.8 per cent over the previous year.
- In 2002-03, the department collaborated with Arts Queensland to develop the Arts Pathway Initiative – a school to work transition program using arts, music and entertainment to re-engage young people with education and employment.

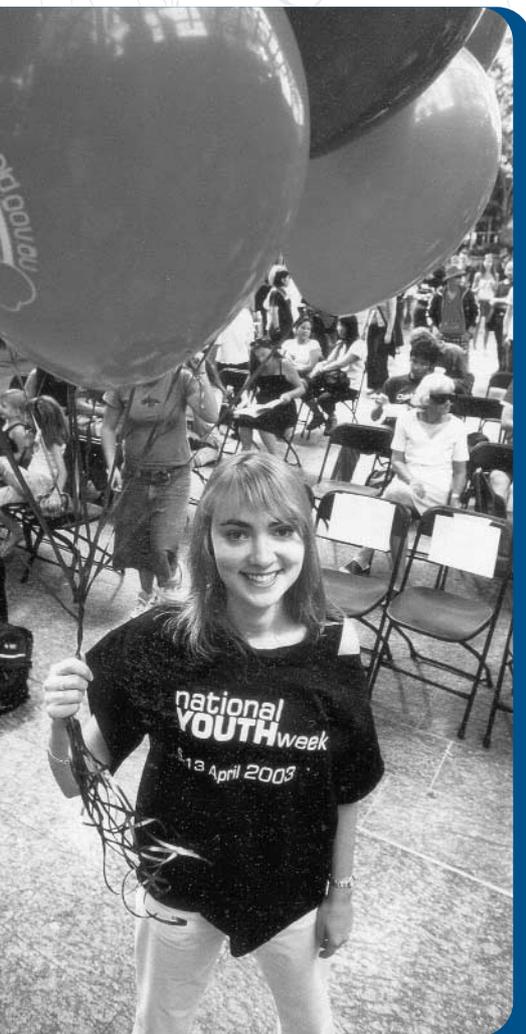


Josh is outstanding in his field

Josh Vickers is one of Queensland's 6,023 school-based apprentices and trainees. Josh is undertaking a Certificate III qualification in agriculture through Dalby Agricultural College while he completes year 12 at Scots College PGC, Warwick.

Josh was named South West Queensland Vocational Student of the Year in 2003 at the Queensland Training Awards.

The school-based apprenticeships and traineeships program won the department a Premier's Award for Excellence in Public Sector Management in 2002 in the Growing Queensland's Economy category.



National Youth Week lifts off

The Office of Youth Affairs' Megan Boyle was on hand to distribute balloons at the launch of National Youth Week in April 2003. National Youth Week activities across the state gave young people opportunities to share ideas, voice concerns, demonstrate their achievements and celebrate their contribution to their communities. To promote the positive contributions young people make to their communities, 72 organisations across Queensland received National Youth Week grants.

- During Youth Week in April 2003, the department and Youth Arts Queensland launched the Transit Lounge, a resource centre for young people and children to help them access training, professional development and work opportunities in the arts and creative industries.

Increase opportunities for young people to be actively involved in the community and government decision-making

- The Cape York Youth Development Strategy was developed during the year to increase access to youth development opportunities for Aboriginal and Torres Strait Islander young people in Cape York communities. The strategy is a guide for coordination, innovation and sustainability for youth development in Cape York that develops the cultural, emotional and social well-being of young people; strengthens young people's connections with family, kinship and community; and promotes and enhances young people's engagement in economic development.
- Extensive marketing of the GENERATE youth website increased user session numbers to more than 63,000. Ten ministerial online chats gave young people opportunities to discuss issues with Queensland Government Ministers. Draft government legislation relevant to young people was posted on the website to gain input, and the department reported to Cabinet on issues raised by young people via the website.
- The Get on Board initiative increased young people's representation on government boards and committees, with 72 young people on government boards and committees as at 30 June 2003.
- The State Youth Advisory Council met three times during 2002-03, bringing together 16 young people from around the state with government and community representatives. The Council advised the Minister of current trends, attitudes and concerns of young Queenslanders and monitored the implementation of the *Queensland Youth Charter: Queensland Government's Commitment to Engaging with Young People*.
- 41 organisations across Queensland received Youth Participation Grants for projects to increase young people's participation in their local communities.
- Approximately 23,000 young Queenslanders were registered with The Duke of Edinburgh's Award program, which focuses on leadership and life skills. An access and inclusion project was created during 2002-03 to improve access to the program for marginalised and disadvantaged young people throughout the state.

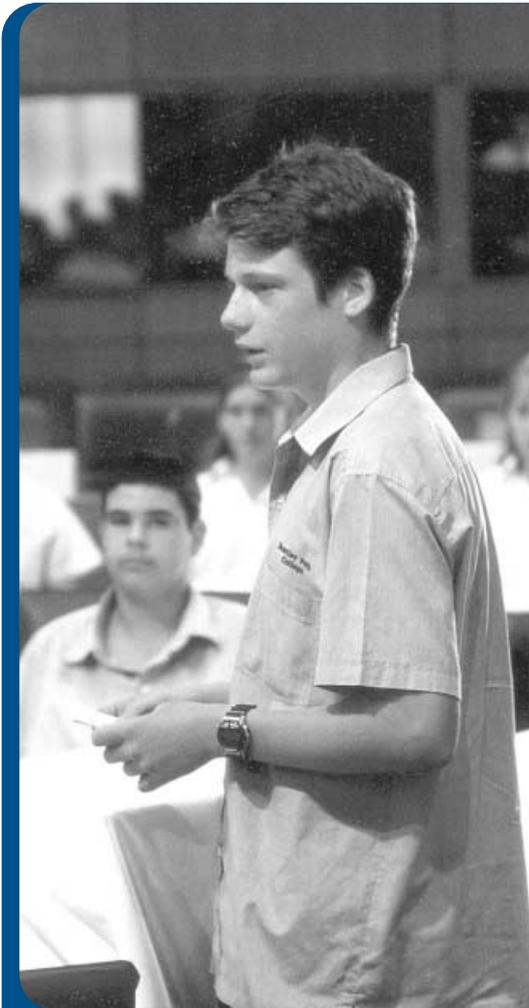
Increase the capacity of, and opportunities for, communities to respond to regional and local needs for skills development, employment assistance and lifelong learning

- 35 Community Training Partnerships projects were approved during 2002-03, resulting in the development of seven training and employment strategies and delivery of community-based training services to 4,032 people throughout Queensland.

- In 2002-03, 2,007 people participated in training through the Cape York Training and Employment Strategy, a collaborative interagency approach to implementing training responses to the skills, employment, community and economic development needs and opportunities of Cape York Aboriginal and Torres Strait Islander communities.
- Through the skill centre program, funds were provided to community and industry groups to help establish centres. Skill centre initiatives commencing in 2002-03 included:
 - radio and multi-media skill centre for the Brisbane Indigenous Media Association
 - aviation industry skill centre in Cairns
 - entertainment production skill centre in Brisbane
 - engineering skill centre, Rochedale State High School
 - training centre for Indigenous people at Girringun
 - horticulture skill centre for people with a disability in Brisbane
 - employment of administrative staff, including trainees, for skill centres sponsored by Aboriginal and Torres Strait Islander people in Cunnamulla, Townsville and Napranum.

Assist Queensland public sector agencies to increase levels of Indigenous employment through the implementation of recruitment and advancement strategies

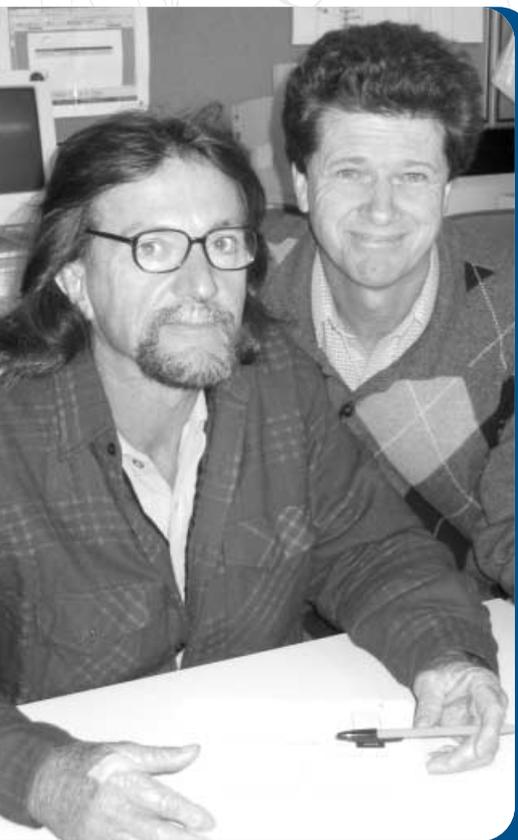
- The department's Wal-Meta Unit continued to support Queensland public sector organisations to recruit, train and retain Aboriginal and Torres Strait Islander employees. In 2002-03, Wal-Meta implemented a job search database which links potential applicants with public sector job vacancies.
- An Indigenous cultural awareness training program, Mura Ama Wakaana (People Working Together), helped non-Indigenous employees in the Queensland public sector to provide a supportive environment to improve Indigenous employment rates. In 2002-03, 750 participants from 17 agencies undertook the training, which will soon be accredited under the Australian Quality Training Framework
- To support the advancement of Indigenous employees in the public sector, the Wal-Meta Unit has delivered a range of training and development programs including the Moving into Management program. 20 participants from 11 agencies completed the course in 2002, and a further 19 people from 10 agencies commenced the program in 2003. 17 participants from nine agencies have undertaken an introductory Stepping Stones program, and a Senior Management program has assisted nine employees from five agencies.
- The *Breaking the Unemployment Cycle* initiative Public Sector Employment Program aims for five per cent participation by Indigenous people.



Youth parliament creates debate

During National Youth Week in April 2003, year 10 students in Cairns participated in a Youth Parliament, debating a bill concerning young people under state parliament procedure.

Bentley Park College organised the event, which was held in the Cairns City Council Chambers. More than 140 events were held across Queensland during National Youth Week.



Vince's life story looks up

Adult literacy student Vince Tournoff (left) was one of many Australians experiencing literacy problems until he began vocational access training with The Bremer Institute of TAFE adult literacy teacher Stephen Ward (right).

Literacy problems prevented Vince from moving up the career ladder, but nothing would prevent him from attending classes at The Bremer Institute of TAFE.

Vince walked 30 kilometres a day to attend adult literacy and numeracy classes, part of his quest to conquer the dyslexia that hampered his learning at school. In the process, he lost 76 kilograms and kicked a smoking habit, thanks to the exercise and the improved self-esteem he has gained from success at TAFE.

In 2002-03, 331 Indigenous Queenslanders (12.3 per cent of participants) were supported into additional apprenticeships and traineeships with public sector agencies.

Provide greater access to generic skill development

- Generic skills, also known as employability skills, are the general abilities that employers look for in employees. They include communication and innovation. During 2003, the department began a research project to identify ways to foster development of employability skills and qualities through vocational education and training. Departmental staff have mapped employability skills against units of competency in three qualifications – horticulture, hospitality and construction; and added employability skills components where needed.
- Employment programs under the *Breaking the Unemployment Cycle* initiative provided training and work experience for disadvantaged jobseekers to help them gain the skills that employers seek. For example, in 2002-03, the Community Employment Assistance Program offered customised support to help 5,440 long-term unemployed people access employment.

Future outlook

- Implementation of the government's *Education and Training Reforms for the Future* will continue in 2003-04 with seven trial sites across Queensland. 12 TAFE institutes and two agricultural colleges will work with more than 200 schools to offer flexible options for school, work and training for all 15 to 17 year olds.
- The department will increase the focus on specific strategies for ongoing skills development for adult Queenslanders to equip them for continuous, satisfying employment and full participation in community life.
- A training and employment strategy for Aboriginal and Torres Strait Islander Queenslanders will be developed, incorporating successful components of the Cape York Training and Employment Strategy.
- The department will increase funding for skilling Queenslanders to work in the creative industries, including the libraries, museums and arts sectors, which are experiencing employment growth of seven to eight per cent annually.
- The Cape York Youth Development Strategy will be implemented through partnerships between government agencies and communities.
- Amendments to the Indigenous Employment Policy for Queensland Government Building and Construction Contracts will be implemented in January 2004 to extend the policy's coverage and reduce the threshold value for contracts.

Engaging with Queensland's communities

The department works with communities to identify and develop flexible and inclusive models for the delivery of vocational education, training and employment services. Across the department, community participation in planning and delivering programs has greatly increased their effectiveness.

The *Breaking the Unemployment Cycle* initiative review in 2002 highlighted extensive community participation as one of the factors underpinning the success of the department's employment programs.

During 2002-03, the department established a Community Engagement Team to support the development of avenues to involve communities, industries and other agencies in training and employment solutions. The team aims to identify and develop flexible, inclusive models for program delivery and to increase access to these programs. Target groups included Indigenous communities, school students and industry groups.

Examples of the department's community engagement activity during 2002-03 include:

- The department attracted over \$4.4 million in infrastructure funding from the Australian National Training Authority and over \$4 million from industry to establish skill centres. The skill centre program focused on niche industries and training markets where it is unlikely that TAFE would develop infrastructure.
- Assistance was provided to employ management staff in Indigenous or rural and remote skill centres. Through the Community Capacity Building Initiative Fund, four centre managers and four trainee managers have been employed in centres in north, south-west and central Queensland.
- Community Training Partnership projects offered communities a flexible mechanism to respond to key local or regional employment opportunities. These projects empowered communities to research the needs of their residents and local employers, and to coordinate appropriate training, skills development and employment responses. In 2002-03, seven statewide projects and 28 local projects were approved to assist 4,032 people. Examples include:
 - Skills for Sustainability, Monto: Deregulation of the dairy industry prompted Monto farmers to diversify into new and emerging industries such as mining, goat milk and meat production, and horticulture. 100 people undertook training and Recognition of Prior Learning in areas including horticulture, agriculture, mining, information technology, workplace assessment, literacy and numeracy.



Partnership builds community's skills

Celia Kupiak undertook customer service training organised as part of the Mary Valley Can Do Project funded under the Community Training Partnership program.

The project equipped Mary Valley workers and small businesses with new skills to respond to challenges including dairy deregulation, drought-affected agriculture and a downturn in forestry.

Participants gained a mix of accredited training and formal recognition of their existing skills to improve their employability, as well as career guidance.



Future outlook

- During 2003-04, the department will support the establishment of skill centres including:
 - centres with a focus on youth pathways and school-industry links in locations including Gladstone, Goondiwindi, the Whitsundays, Stanthorpe and Weipa
 - centres that are clearly linked to the achievement of local employment outcomes for Aboriginal and Torres Strait Islander peoples
 - construction industry skill centres in Rockhampton, Cairns and Townsville, an aviation skills centre in Cairns, and multi-industry skill centres in Cardwell and Woorabinda.
- The department will improve coordination of its engagement activities and reach out to people who are unaccustomed, uncomfortable or uninterested in working with government.
- The Youth Access Program will be extended in 2004 to support the government's *Education and Training Reforms for the Future*. The program will be extended to all disengaged youth, and offered by all TAFE institutes.
- The Community Jobs Plan funds community and public sector organisations to engage long-term unemployed people and those at risk of long-term unemployment to work on projects that benefit the wider community. Projects are developed and managed by communities, making this program a powerful community engagement mechanism. Examples in 2002-03 included:
 - Kurbingai Star Indigenous community newspaper, Zillmere: To overcome social isolation in the Indigenous community in the Brisbane north region, a Community Jobs Plan project trained people to produce a monthly newsletter containing Indigenous information and promoting the activities of local Indigenous organisations.
 - Migrant Outplacement Model, Townsville and Thuringowa: An innovative project to enable people from non-English speaking backgrounds to participate in their communities has helped jobseekers gain practical employment experience in host community organisations. For example, a person with overseas dental qualifications was placed with a local employer. The experience gained will provide that person with Australian skills recognition.
- Queensland's TAFE institutes engaged on a daily basis with communities and industries. As training providers and employers, TAFE institutes are considered integral parts of communities, particularly in regional areas. The department's devolved management and planning allows institutes to respond directly to local needs and to form partnerships at the local level. Some of the many examples in 2002-03 included:
 - Cooloola Sunshine Institute of TAFE received the 2002 Sunshine Coast Innovation Award for Community Partnering. Based on a survey to identify community training needs, the institute conducted vocational training at local venues tailored to meet local needs.
 - The Great TAFE Homework Project is an innovative response to high youth unemployment in Brisbane's northern corridor. The concept involves students from Brisbane North Institute of TAFE who renovate houses provided by Redcliffe and Caboolture Councils. The houses are then auctioned at the end of the process. The project was officially launched in June 2003.

Employment, training and youth initiatives

Commitment/Target	Actual Performance	Result
Provide employment subsidies to assist the employment of 3,000 additional private sector apprentices and trainees	5,009 apprentices and trainees employed through <i>Breaking the Unemployment Cycle</i> private sector subsidies	Target exceeded
Assist 1,000 mature-aged jobseekers through the Back to Work program and other mature-age assistance and training strategies	2,107 people assisted	Target exceeded
Provide subsidies to 450 employers of mature-aged jobseekers through the Experience Pays program	416 people assisted	92.5% achievement of target (other mature-age employment support programs helped 2,107 people)
Ensure that User Choice apprenticeship and traineeship funding is prioritised to target sectors of jobs growth and skills shortages	Targets were exceeded for tourism, engineering, construction, community services and arts, but were not achieved for seafood, maritime, and information technology	Further work required to increase demand for seafood, maritime and information technology traineeships and apprenticeships

The Department of Employment and Training manages and delivers a range of initiatives designed to improve Queenslanders' access to, and opportunities for, employment, training and a better quality of life.

The department's employment, training and youth programs support people of all ages throughout Queensland, including those who might otherwise be disadvantaged in gaining skills or work, or participating actively in community life.

Queensland's public training providers – 15 TAFE Queensland institutes and four agricultural colleges – are an integral part of the vocational education and training system, delivering training that responds to local needs. TAFE institutes and agricultural colleges take a strategic role in delivering on government priorities. For example, TAFE Queensland institutes in 2002-03 progressed a statewide response to the needs of the mining industry through TAFE Queensland Mining Services. Innovative strategies were developed to fast-track skills development as part of the Central Queensland Training and Employment Strategy. TAFE institutes and agricultural colleges are at the forefront of implementing the *Education and Training Reforms for the Future*.

In 2002-03, 269,568 people undertook training at TAFE Queensland institutes. TAFE students continued to achieve good employment outcomes. The 2002 Student Outcomes Survey indicated that 87 per cent of students who



Experience pays for Gerry

At the age of 60-plus, Gerry Dunne has started a carpentry apprenticeship with Downs Group Training in Toowoomba.

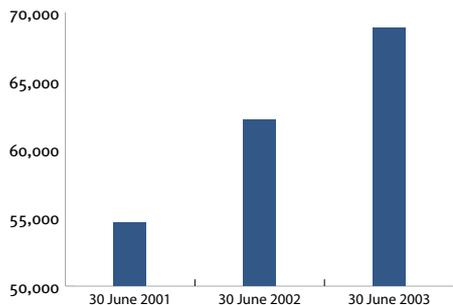
Originally a bricklayer, Gerry had to change careers when he developed back problems. Downs Group Training employed him as the on-site supervisor for a Community Jobs Plan project at the Toowoomba Showgrounds, creating a pathway to display sponsor plaques.

At the end of the project, the company didn't want to lose his services, so they encouraged him to consider an apprenticeship.

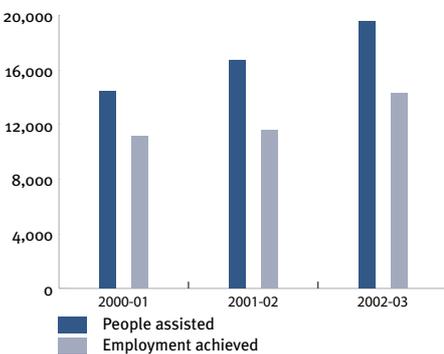
Gerry was one of the mature-aged jobseekers to benefit from the Experience Pays employer subsidy program in 2002-03. The program, part of the Breaking the Unemployment Cycle initiative, provides incentives for employers who take on older workers.

Results at a glance

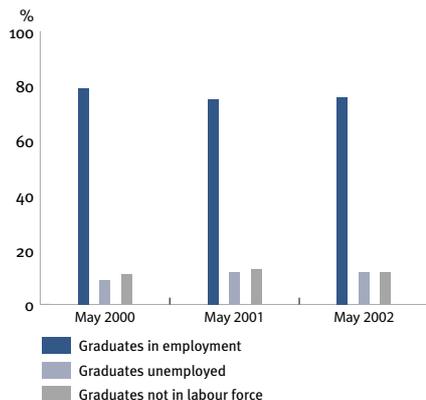
Apprentices and trainees in training



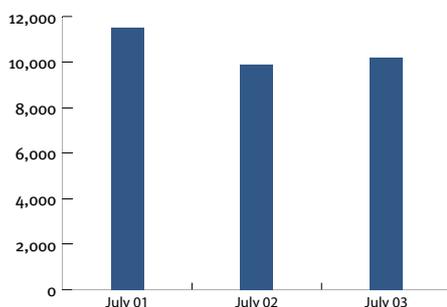
Employment outcomes from *Breaking the Unemployment Cycle* initiative programs



Vocational education and training graduate employment outcomes



Queensland 15 to 17 year olds not earning or learning (not participating in school, tertiary education or employment)



graduated with a qualification in the previous year were employed or in further study by May the following year.

The department's network of 85 TAFE campuses, four agricultural colleges and 20 regional offices ensures that services are delivered throughout this geographically-dispersed state. Staff from the department's employment, training and youth program areas in regional locations link people with services, and plan responses to local needs in collaboration with community and industry.

While young people are a primary focus for the department, a range of initiatives address the special needs of Queensland's mature-aged workers and other jobseekers. The department also provides specialised support for the learning, employment and community participation needs of people with a disability, Aboriginal and Torres Strait Islander peoples, people from other culturally and linguistically diverse backgrounds, and other target groups.

Strategies

Develop and deliver training programs and services to achieve Smart State outcomes through inviting participation by government, industry, business and the community

- One of the principles of the Queensland Government's Smart State vision is government, industries and communities working together to position the state for the future. The *Breaking the Unemployment Cycle* initiative brings together stakeholders to develop solutions to employment issues for Queensland through mechanisms such as the initiative's Inter-departmental Committee and Community Jobs Priorities Committees.
- The implementation of training packages to meet national training quality and flexibility standards continued in Queensland in 2002-03. Currently in Queensland, 70 industry training packages and nine enterprise packages have been endorsed, 21 have been fully reviewed, 35 are under review, and one is under development. Review and development of training packages is undertaken in consultation with industry to ensure all packages meet current and future employer needs.
- The creative industries are an increasingly important focus for the department's training and employment programs. In 2002-03, 12 registered training organisations received funding under the Creative Arts Training Initiative, a component of the *Investing in Cultural Enterprises* partnership between Arts Queensland and the Department of Employment and Training. The initiative helped artists develop technical, business, marketing and computer skills through eight TAFE institutes and four private training providers. Also during the year, 11 arts industry organisations received funding to employ 24 trainees through the Youth for the Environment and Local Communities program. In addition, Southbank Institute of TAFE took on a leadership role for creative industries training across the TAFE network.

- The department continued to fund and deliver training for emerging “smart” industries. In 2002-03, this included investing approximately \$48.8 million in information and communication technologies training and \$2 million in biotechnology training.

Align programs and service delivery to ensure industry, business and community needs are met

- The review of the *Breaking the Unemployment Cycle* initiative examined the initiative’s success in meeting community needs. While the findings were generally positive, the review made recommendations to improve alignment between employment programs and the needs of the community, industry and individuals to better meet program objectives. The department conducted the review, overseen by an inter-departmental committee and advice and direction from a panel of nationally-recognised labour market experts.
- Through its audit program, the department ensures that registered training organisations meet the standards outlined in the Australian Quality Training Framework. During 2002-03, the department undertook audits of 675 registered training organisations. Industry experts engaged to conduct audits of training organisations in high-risk areas ensured the needs of the specific industry were reflected in the training organisation’s delivery and assessment strategies. An auditing strategy implemented in 2003 provided an integrated approach to auditing and monitoring training quality.
- A proactive approach has equipped TAFE institutes to meet changing needs in the construction industry. During 2002-03, the Building Services Authority reviewed its licensing classes to streamline licences. As a result, workers can no longer hold a licence for components of a trade, but must be qualified for a broader role in the industry. Existing workers will need considerable up-skilling to obtain licences. While the review was underway, Gold Coast Institute of TAFE conducted a pilot project to test TAFE’s capability to deliver training that meets the industry’s new needs. Findings from this project were disseminated through the TAFE network to help institutes position themselves to provide relevant training once the changes were announced.
- To meet the needs of people with a disability, the department has undertaken research and resource development to make training more inclusive. Examples include:
 - A guide for registered training organisations released in July 2002 is now the basis of national documentation.
 - TAFE Queensland undertook research to improve processes for people with print disabilities so they have timely access to training materials and texts.
 - The department supported the development of a warehousing and packaging traineeship specifically for people with a disability.



Aviation Australia has smooth take-off

Georgina Lysaght is looking forward to a career in airframe mechanics after commencing an Aeroskills certificate qualification through Aviation Australia.

Aviation Australia Pty Ltd was established by the Queensland Government to provide training for the aviation and aerospace industries as part of a drive to develop Queensland as the regional hub for these industries.

Aviation Australia has attracted considerable industry support, and has set in place advisory mechanisms to ensure industry needs are met. During 2002-03, its first full year of operation, Aviation Australia developed its business, systems and infrastructure, while providing training for:

- 829 people
- 54 different airlines, aerospace companies and related organisations
- students from 14 countries other than Australia.



Semah perfects the art of work

*Semah Hodges was one of 10 trainees funded by the department through the *Breaking the Unemployment Cycle* initiative to help put together a major exhibition for the Queensland Art Gallery, *Story Place: Indigenous Art of Cape York and the Rainforest*.*

*Since then, Semah has been employed as a curator with the Tropical North Queensland Institute of TAFE's art gallery *Banggu Minjaany*.*

- The Course in Life Skills for People with a Disability was renamed the Course in Vocational Skills Development and refocused to provide pathways to employment and/or further training for people with complex support needs.
- The department identified priorities for training funding and delivery, documented in the *2003-04 Queensland Training and Employment Priorities*, through a planning process involving government agencies and industry and community representatives at state and regional levels. In 2002-03, the department significantly enhanced interagency collaboration to ensure skills development priorities align with Queensland Government priorities (such as industry development plans and strategies for key population groups) and regional and community development plans and strategies.

Deliver the government's employment programs in a flexible manner to address changes in employment conditions

- The *Breaking the Unemployment Cycle* review found that flexibility is a feature of the employment programs, with departmental staff working with sponsor organisations to ensure that programs meet local needs. Programs provide responses matched to the needs of jobseekers. Collaborative planning within regions and communities, supported by the initiative's flexible funding arrangements, ensure programs can respond to local needs.
- In 2002-03, 72 Community Employment Assistance Program projects were funded to assist 3,878 long-term unemployed and disadvantaged jobseekers. These projects targeted assistance to meet the needs of local jobseekers and equip them for local job opportunities. In addition, a further 38 youth specific projects were funded to assist 1,562 young people.

Further develop marketing strategies to improve take-up of Department of Employment and Training programs and services

- A statewide television and press advertising campaign featuring Wally Lewis screened during late 2002 and early 2003. It encouraged employers to employ apprentices and trainees, and promoted *Breaking the Unemployment Cycle* initiative Private Sector Employment Program subsidies. In regional Queensland, a 10 part series on the WIN TV regional television network raised public awareness of the *Breaking the Unemployment Cycle* initiative.
- TAFE Queensland continued its statewide persuasive campaign incorporating television, cinema, outdoor and print media to showcase a range of products and outcomes. The campaign theme was greater possibilities. Key areas targeted for young people were hospitality, business, biotechnology, arts and design, automotive and sport and recreation. Research commissioned to measure pre- and post-campaign awareness confirmed that it promoted positive attitudes towards TAFE among its key target markets.
- In July 2002, the Premier launched the Central Queensland Training and Employment Strategy. Initial marketing included distribution of promotional materials and information sessions for employers and jobseekers in central

Queensland and Wide Bay regions. Ongoing activity will include media promotion of 'success stories' and attendance at career expos.

- In 2002-03, the department again ran the *Make Training Pay* campaign to encourage employers to invest in training. The campaign activity directly reached almost 2,000 employers across metropolitan and regional Queensland through information forums, workplace visits and attendance at industry events.
- The *Wider Opportunities for Women* program continued in 2002-03 with the support of Education Queensland. Over 3,000 students from 49 schools across Queensland heard directly from young women who acted as role models to talk about the wider career and training options available to women. 153 schools ordered the *Wider Opportunities for Women* video, and the website was revamped to include more role models and career planning advice. The department worked with stakeholders and influencers, including teachers and training organisations, to draw attention to the barriers that women face and to communicate the benefits of roles in non-traditional and emerging fields for women.
- For Adult Learners Week in September 2002, the department provided funding to 92 organisations to run more than 120 community activities throughout Queensland. Adult and community education stakeholders collaborated in planning the week's activities through the Adult Learners' Week Advisory Committee.
- Apprenticeships and traineeships were marketed to employers, school leavers and jobseekers through information brochures, web-based information and career expos across the state. The department also distributed more than 400 copies of the video, *Go places with a traineeship or apprenticeship!*, which features stories about four current and former apprentices and trainees and the different study and career pathways offered by apprenticeships and traineeships.
- TAFE Queensland's international marketing activities grew TAFE's export business by \$800,000, an increase of over 16 per cent.
- The TAFE Queensland initiative, the Careers and Training Expo, was held in Brisbane and provided over 20,000 prospective learners with information about training solutions across all education sectors. TAFE institutes also exhibited at regional career expos throughout the state.

Build a capacity to respond to economic development opportunities to ensure communities can maximise employment and social benefits

- The Central Queensland Training and Employment Strategy is a comprehensive, coordinated response to enable the communities of central Queensland and other regions to take advantage of the economic and social opportunities associated with growth in the light metals industry. With two multi-billion dollar projects and several multi-million dollar initiatives being developed at the same time, the region faces a critical skills shortage that could hold up economic growth and drain skills from existing enterprises throughout the state. To

Targeted responses

During 2002-03, the department responded to issues in particular industries and regions.

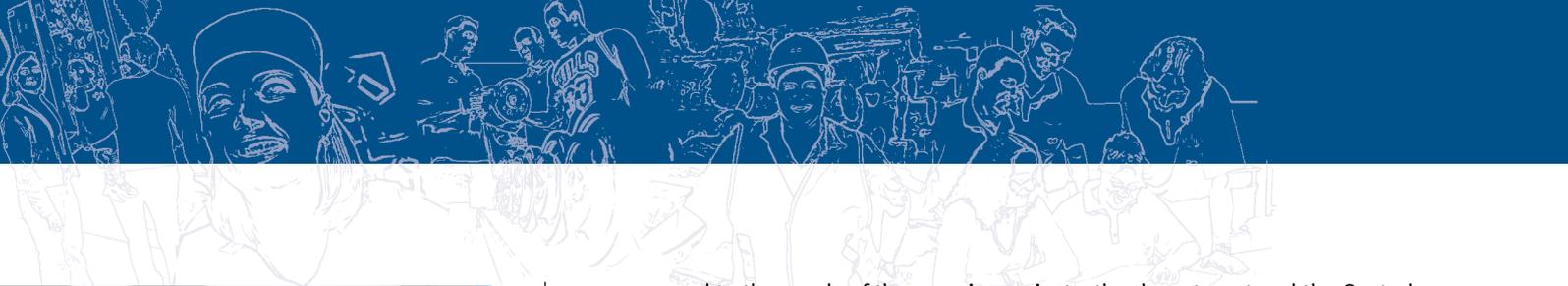
Examples include:

Assistance was provided to drought-affected regions and industries through the Breaking the Unemployment Cycle initiative.

State and local government authorities employed 50 additional trainees to undertake drought relief and mitigation work using funds from the initiative. Drought coordinator positions were also funded for peak industry organisations to help rural industries link with the department's programs.

An allocation of \$1.5 million was made to training and employment programs for people affected by major structural changes in Queensland's sugar industry. TAFE institutes and the Australian College of Tropical Agriculture offered up-skilling or cross-skilling for affected workers. Several Community Training Partnerships projects targeted sugar industry workers, and the Worker Assistance Program offered support to retrenched mill workers.

As part of the Queensland Government's Tourism Support Package, the department approved funding for a coordinator position with the Queensland Tourism Industry Council. This position helps tourism and hospitality businesses to access employment, training and other assistance. Additional trainee positions were funded in peak tourism organisations.



Central Queenslanders gain work skills

Henry Gage is well-placed to take advantage of the opportunities generated by industry growth in Central Queensland. Henry is undertaking a school-based electrical apprenticeship with Gladstone Port Authority while he completes year 12 at Toolooa State High School.

Henry attends school for three days each week. The other two days are spent working or undertaking training through Central Queensland Institute of TAFE.

Through the Central Queensland Training and Employment Strategy more than 1,000 people undertook training in 2002-03, including entry-level training for people like Henry, and up-skilling, re-skilling and cross-skilling of existing workers.

respond to the needs of these major projects, the department and the Central Queensland Institute of TAFE joined with industry, community and other government agencies to develop and implement a strategy to fast-track skills development in the region. The strategy, supported by a \$5.5 million investment by government and industry, provided training for more than 1,000 people in 2002-03 including entry-level training for new entrants and up-skilling, re-skilling and cross-skilling of existing workers. Successful outcomes to date include:

- free workplace trainer and assessor training for 95 participants, creating a pool of qualified trainers and assessors in small to medium enterprises
 - responsive and just-in-time training for existing workers in a range of skill areas
 - redirection of over \$3.4 million in TAFE direct grant funding to training and skills development programs that support the needs of major light metals projects and existing local employers
 - development of a fast-track course in engineering skills to give participants skills to secure an apprenticeship (163 people started the program in Mackay, Rockhampton, Gladstone, Bundaberg and Maryborough).
- Under the Private Sector Employment Program, 3,078 employers and 30 group training organisations received cash incentives totalling \$9.076 million for employing 5,009 additional apprentices and trainees. Incentives were offered to industries with skill shortages or to growth industries crucial to the state's development.
 - Community Jobs Plan projects are initiated by local councils or communities to address local issues or take advantage of local opportunities. In 2002-03, 145 projects provided 1,630 job placement opportunities for long-term unemployed people or those at risk of experiencing long-term unemployment.
 - In August 2002, the department established a Vocational Education and Training Export Office to drive growth in export revenue from the Queensland vocational education and training system. In 2002-03, the office assisted TAFE Queensland to grow revenues from international business by approximately \$800,000. The office also advised and supported Queensland agricultural colleges and Aviation Australia to enter the education export market, and began market research to inform future growth strategies.

Lead the development of vocational education and training and employment strategies for young people, particularly through school to work transition phases

- The Youth Access Program continued to support young people at risk of exiting the school system early. It assisted their transition into further education, training and employment, with an emphasis on apprenticeship and traineeship entry. 1,150 young people participated during the 2002 school year. A further \$2.5 million was allocated to the program for 2003.

- During 2002-03, more than half the participants in the department's employment programs were young people aged 15 to 24 years. Young people made up the great majority of people employed through the public and private sector apprenticeship and traineeship subsidy programs. Through the Youth for the Environment and Local Communities program, 585 young people began traineeships in environmental protection, horticulture and waste management.
- 2002-03 was the second year that school-based apprenticeships and traineeships were included in the *Breaking the Unemployment Cycle* initiative Public Sector Employment Program. Funding arrangements were expanded to allow local governments, state statutory authorities and Aboriginal and Torres Strait Islander Community Councils (as well as state government departments) to receive subsidies for employing school-based apprentices and trainees. During the year, 254 school-based trainees and 14 school-based apprentices started training through the program.

Future outlook

- Apprenticeship and traineeship training under the User Choice program will continue to target industries experiencing significant skill shortages and emerging industries of economic importance to the state. A five per cent budget increase for User Choice will enable the department to fund more training and support the learning needs of young people and those disadvantaged in the labour market.
- Through the Central Queensland Training and Employment Strategy, the department will enhance skills development to support economic development and employment opportunities from the growth of the light metals industry. Government training funds will be leveraged from industry contributions on a dollar-for-dollar basis.
- Cape York communities will identify youth development priorities through the Cape York Youth Development Strategy.
- Two national studies released in 2002-03 revealed widespread under-use of Recognition of Prior Learning, a process to assess and recognise a student's existing experience and skills. The department will improve processes and resources for Recognition of Prior Learning by registered training organisations, and promote its use. The outcome will be reduced duplication of training, better use of training funds, and improvements to Queensland's qualifications profile.
- The department will launch a scorecard on registered training organisations to help apprenticeship and traineeship clients choose the right training organisation for their needs. The scorecard will also help the department make decisions based on the performance of individual training organisations, and will help these organisations assess and improve their business performance.



Toowoomba boat builders

18 year old Glen Little started his school-based apprenticeship in polymer processing as a grade 11 student in 2001. After completing school, Glen was kept on by his employer, Buchanan Advanced Composites in Toowoomba.

The headstart he gained through his school-based apprenticeship helped him to fast-track his apprenticeship and graduate as a fully-qualified Composites Technician before his 18th birthday.

Research undertaken by the National Centre for Vocational Education Research in 2002-03 reported that apprenticeship and traineeship completion rates in Queensland were similar, or possibly higher, than that for Australia.

The research also indicated that the rate of non-completions was at a similar level to workplace mobility in general and that completion of apprenticeships in the traditional trades was high when compared with other education sectors. This research will continue to inform Queensland's strategies for improving completion rates.



Adam's career takes off

Adam Clark of Rockhampton has always had a keen interest in aviation, gaining his pilot's licence at the age of 16.

While he was at high school, Adam did work experience with Rose Aircraft Engineers, the company which became his host employer for the next four years during his Aircraft Maintenance Engineer (Mechanical) apprenticeship.

Group training organisation Capricornia Training Company employed Adam, placing him with his host employer to undertake on-the-job training.

Group training organisations continued to provide an important mechanism for employers who are unable to commit to employing an apprentice or trainee in their own right. At the end of 2002-03, 7,727 apprentices and trainees in training were employed by Queensland's 32 group training organisations and placed with host employers to undertake on-the-job training.

- The department will implement key components of the *Manufacturing Training and Employment Strategy*. Training investment in manufacturing industries will be refocused to better align with the Queensland Government's *Making Queensland's Future – A Manufacturing Development Plan*. Training will focus on closing skill gaps, upskilling existing workers and increasing apprenticeships and traineeships in identified priority areas.
- An export strategy for Queensland vocational education and training, and an international brand for the sector, will drive further increases in international revenue for TAFE institutes, agricultural colleges and private training providers. International revenue projections for TAFE Queensland predict \$5 million growth per annum over the next four financial years.

Supporting Indigenous Queenslanders

Through collaborative and innovative approaches to training and employment programs, the department supports improved employment outcomes and quality of life for Aboriginal and Torres Strait Islander peoples throughout Queensland.

Participation by Indigenous people in vocational education and training increased, as did participation in *Breaking the Unemployment Cycle* initiative programs. Importantly, the Indigenous pass rate and completion rate in TAFE Queensland programs increased in 2002.

Increasingly, the department's focus is on working with communities to build their capacity to find solutions for their own needs.

Achievements in 2002-03

- Indigenous Employment and Training Support Officers provided culturally appropriate mentoring and support for 453 apprentices and trainees, particularly in rural and remote areas.
- Through the Indigenous Employment Policy, at least 20 per cent of the on-site construction labour force on government construction projects in Indigenous communities must consist of local Indigenous residents; and half of these must be employed in formal apprenticeships and traineeships. A review of the policy commenced in 2002-03. Findings to date indicate that employment opportunities had been created for 236 Indigenous people from the designated communities and shires. This was achieved through 53 Queensland Government building and construction projects between 1 May 2001 and the end of July 2003. The review has identified several issues impeding the policy's effectiveness, including inadequate community capacity and coverage of built construction activity. Strategies to address these issues are currently being developed.
- The *Cape York Youth Development Strategy* was endorsed in October 2002 to increase access to youth development opportunities for Aboriginal and Torres Strait Islander young people in Cape York communities.
- Indigenous communities are among the key user groups supported through the skill centre program. In 2002-03, the department accessed Commonwealth funding to establish a training centre for Indigenous people at Girringun, and supported a feasibility study for an Indigenous health skill centre.
- The department allocated \$250,000 to employ four centre managers and four trainee managers in skill centres in the north, south-west and central regions of Queensland.
- The department provided training funding for the Coppabella South Native Title Group, including generic mine passport training through Central Queensland Institute of TAFE. Employment outcomes included the creation of cultural heritage monitoring positions for local Indigenous people.



Bush tucker project is a growing concern

TAFE teacher Marianne Helling and student Kurtis Johnson are working on an innovative project, partly funded through the Breaking the Unemployment Cycle initiative.

Innisfail's Mamu Aboriginal Corporation and Tropical North Queensland Institute of TAFE are establishing a commercial bush tucker orchard and nursery at the institute's Innisfail campus. The project will provide the community with an income stream while preserving traditional food collection processes. The corporation will manage the bush tucker operation, and the institute and James Cook University will use the orchard and nursery for education, training and research.



The Cape York Training and Employment Strategy

Through responsive and flexible planning, purchasing and delivery of training, the Cape York Training and Employment Strategy has empowered communities between Mossman Gorge and Kowanyama in the south and Horn Island in the north to make locally relevant decisions about vocational education, training and employment.

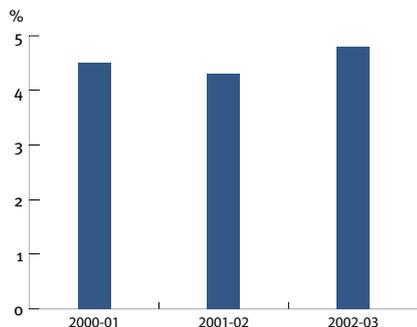
Local Employment and Training Coordinators work with Cape communities to identify training and employment opportunities, formulate community training plans and coordinate the responses of training and employment service providers.

Responsive programs are delivered by three registered training organisations identified and endorsed through the Cape York Partnerships Roundtables.

More than 110 community-specific training programs have been successfully delivered in Cape York communities in the past two years, with another 25 programs currently underway. 2,007 people across the Cape participated in training in 2002-03, including more than 230 apprentices and trainees.

Indigenous participation in vocational education and training

(as a proportion of the total number of vocational education and training students)



- Nine initiatives were funded in 2002-03 through the \$750,000 Indigenous Training and Community Initiatives Program. They included dive and coxswain training in the Torres Strait and Indigenous primary health care and mental health care training in north-west Queensland.

TAFE and Indigenous communities – working together

TAFE institutes worked with Indigenous community organisations and other groups during 2002-03 to provide innovative training and employment programs. Examples include:

- Eight Indigenous-specific curricula were developed by TAFE Queensland in 2002-03.
- TAFE Queensland’s Aboriginal and Torres Strait Islander Smart Jobs radio campaign was launched, profiling Indigenous TAFE graduates and the benefits of TAFE study.
- A community learning steering committee was established on Palm Island (including representatives from the Barrier Reef Institute of TAFE) to address the community’s education and training needs. Outcomes in 2002-03 included development of a District Youth Achievement Plan for the *Education and Training Reforms for the Future* trial, and a partnership with the Australian Army to train local Indigenous people for careers in the construction industry.
- A joint project was formed by Barrier Reef, Tropical North Queensland and Central Queensland institutes of TAFE to pilot an Indigenous TAFE student employment project offering pre- and post-graduation job preparation services for Indigenous students.
- Accredited training was provided to parents and caregivers to help them support the learning needs of school-aged Indigenous children. Training was offered by the Cooloolo Sunshine Institute of TAFE in conjunction with the Maroochydoore and Nambour Neighbourhood Centres.

Future outlook

- The department’s regional planning process will identify particular skills requirements associated with Indigenous Land Use Agreements and plan for the delivery of appropriate employment and training programs.
- Priority training areas for Aboriginal and Torres Strait Islander people will include arts and culture, tourism, rural industries, residential/housing services, primary health care including mental health (non-clinical), youth work, aged care, sexual health services and eye health.
- The department will continue to work with Aboriginal and Torres Strait Islander communities seeking skill centre funding.

Strategic policy, planning and partnering

Commitment/Target	Actual Performance	Result
Lead the development of educational precincts	Mt Isa educational precinct established, Southbank precinct progressed	Commitment achieved
Participate in development of <i>Education and Training Reforms for the Future: A White Paper</i>	White paper developed and endorsed	Commitment achieved
Effective advocacy through the Australian National Training Authority Agreement to maximise vocational education and training for Queensland	Negotiations underway, and a negotiating strategy being developed	Commitment achieved
Undertake audits of registered training organisations – 430 Australian Quality Training Framework audits and 120 contract audits	493 Australian Quality Training Framework audits and 182 contract audits completed	Target exceeded

The department is a key participant in building the long-term economic and social well-being of Queensland. A strategic approach ensures that training and employment activity and funding will position Queensland for the future. Skills development and employment programs underpin and support the economic development that will drive jobs growth and future community prosperity.

The department's policy activities during 2002-03 focused on the needs of young people and the ongoing skilling of adult Queenslanders. Planning activities increasingly aimed to build the capacity of communities to initiate solutions to meet their needs. Partnering formed the basis for much of the department's activity, through strategic links with industry, government agencies, training and community organisations.

The department also undertook professional development activities to build awareness and skills of stakeholders in the vocational education and training sector. For example, the department (on behalf of the Australian National Training Authority) conducted training workshops for providers of the pivotal Certificate IV in Assessment and Workplace Training qualification throughout Queensland, Tasmania, South Australia and the Northern Territory. Following these workshops, networks of vocational education and training (called "communities of practice") were formed in seven Queensland regions.

An analysis of the professional development needs of vocational education and training professionals in Queensland was completed in early 2003. The findings will form the basis of a professional development framework for the Queensland system.



Young Queenslanders speak out

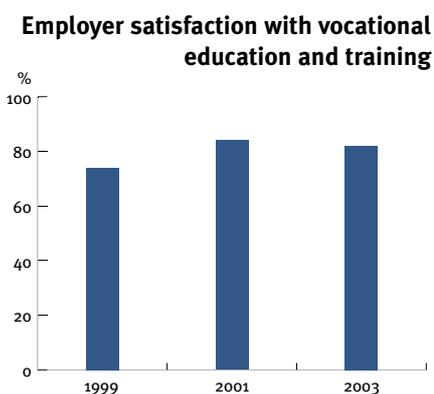
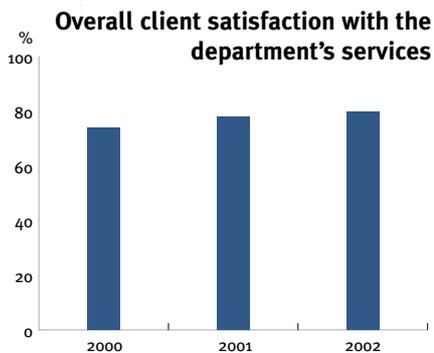
Drummer Roxy Burt is one of 55 young people featured in a publication launched during National Youth Week in 2003. Youth Speak – A Queensland Story is a compilation of inspirational stories by young people across Queensland, providing a snapshot of their hopes, fears and aspirations.

The book, produced by Push Productions on the Sunshine Coast, was distributed to schools, libraries and community organisations across Queensland. Funds were provided by the Department of Employment and Training, Arts Queensland, the Gambling Community Benefit Fund, The Integrated Family and Youth Service, Maroochy Shire Council, Caloundra City and Esanda.

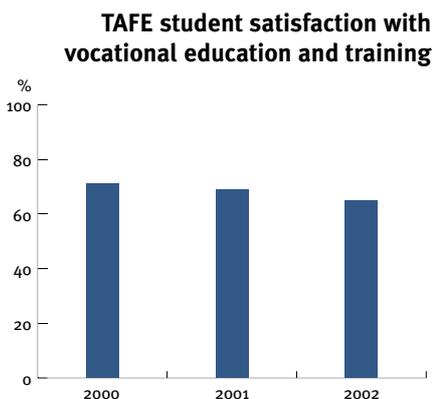
Photo courtesy Push Productions



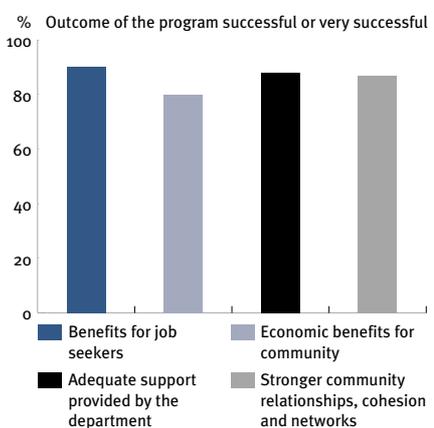
Results at a glance



This survey is conducted every 2 years.



Project sponsor feedback – community employment programs



Strategic planning and partnering also underpin the success of the *Breaking the Unemployment Cycle* initiative programs. The department analyses workforce trends and opportunities to identify emerging issues that impact on job creation, job security and employment policy. Employment programs respond to this analysis. In 2002-03, emerging issues impacting on employment programs included continuing strong employment growth, particularly in skilled occupations and among mature-aged people.

Strategies

Lead development of state and national employment, training and youth policy issues in all key internal and external forums

- A review of young people's pathways between vocational education and training and other education sectors was completed in 2002-03. Findings informed development of the *Education and Training Reforms for the Future*.
- The department took a lead role with Education Queensland in developing the Queensland Government's *Education and Training Reforms for the Future*.
- The department managed a national project in response to employer concerns about equivalence of training outcomes in some industries from institutionally-delivered qualifications compared with on-the-job training. The project identified strategies to enhance recognition of training and employment outcomes from institutionally-delivered qualifications across public, private and school providers.
- The department facilitated a national project to improve the effectiveness of training package development, review and implementation to meet the needs of occupational licensing bodies. The department was also instrumental in examining how the vocational education and training system can meet the licensing requirements of occupational health and safety authorities.
- Queensland played a major role in shaping the draft national vocational education and training strategy, *Shaping Our Future*. Several major shifts from the current national strategy, *A Bridge to the Future*, strongly reflect directions being taken in Queensland. These include an integrated focus on learning, skilling and employment; recognition that training should encompass both economic and social objectives; a strong commitment to improving outcomes for Indigenous Australians; and an emphasis on building partnerships with industry, communities and individuals.
- During 2002-03, the department led a whole-of-government project to develop initiatives and policies to encourage lifelong learning by Queensland adults. The department commissioned research which revealed that a significant number of Queensland adults were not participating in learning and were unlikely to do so in the near future. This is despite the growing need for people to continually upgrade their skills to remain competitive in the employment market. The research indicated that skills and learning make a significant difference to individuals' life chances, improving their career prospects and

earning capacity, reducing their risk of unemployment and allowing them to become involved in their communities. A working group of representatives developed responses to this research, which will be considered by government in the coming year.

- Departmental officers represented Queensland on a national steering committee responding to women's issues in vocational education and training. Women continue to undertake lower level qualifications than men; to focus on narrow sectors such as human services; and to have worse employment and remuneration outcomes than their male counterparts. Queensland pushed for integration of women's issues into planning and reporting processes for the vocational education and training system rather than a separate policy for women. This was on the basis that participation by equity groups should be part of the system's core business. The approach was adopted nationally; and the new national strategy and annual national priorities for vocational education and training have integrated issues that states and territories should consider in order to improve outcomes for women.
- In the year under review, the department promoted implementation of Queensland's Indigenous Employment Policy for Queensland Government Building and Construction Contracts at the national level. The policy requires 20 per cent of all labour hours on Queensland Government building and construction contracts in specified regions to be undertaken by local Indigenous workers. National ministerial councils endorsed investigation into national application of the policy, and the department advised other states and territories in developing similar or complementary initiatives.
- Queensland led the development of national strategies to strengthen school to work transitions for young people through the national Ministerial Subcommittee on Young People's Transitions, chaired by Minister for Employment Training and Youth, Matt Foley. A key outcome was a landmark Ministerial Declaration, *Stepping Forward: Improving Pathways for all Young People*. Through this, Commonwealth, State and Territory Ministers for education, employment, training, youth affairs and community services agreed to work in partnership to increase the social, educational and employment outcomes for Australia's young people.

Ongoing engagement of Cabinet in the department's strategic priorities for employment, youth affairs and vocational education and training

- The department reviewed the *Training and Employment Act 2000*, consulting with stakeholders and developing amendments to make the legislation supportive of education and training reforms, and consistent with the national training system and Queensland's drive for training quality.
- Amendments to the *Agricultural Colleges Act, 1994* were endorsed by the State Government in August 2002. The changes better position Queensland's



Jessica's career is a growing concern

Jessica Brabon gained hands-on experience and theoretical knowledge about beef production, horse management, tropical pastures, fodder conservation and business management through a Diploma of Tropical Agriculture at the Australian College of Tropical Agriculture. Jessica says her training has provided her with strong base skills, theoretical knowledge and analytical experience.

The Australian College of Tropical Agriculture is one of Queensland's four agricultural colleges, along with the Dalby Agricultural College, Longreach Pastoral College and Emerald Agricultural College. Together the agricultural colleges delivered 1,145,374 hours of accredited training for more than 5,000 people in 2002-03, a 10 per cent increase in training delivery compared with the previous year.



Art and hockey come together

Tropical North Queensland Institute of TAFE visual art student Linda Myers joined her classmates in painting hockey sticks and balls for a unique collaboration.

A Hockey Queensland project to encourage school children in remote Indigenous communities to play hockey saw the institute's Indigenous Visual Arts students developing culturally-appropriate designs for hockey equipment. The project simultaneously fostered interest in sport, nurtured the artists of the future and encouraged community development.

The students' works will be distributed around Queensland for display at hockey association clubhouses and presented to representatives from visiting international teams.

four agricultural colleges to meet training priorities for rural and related industries and regional communities.

- The GENERATE youth website connected young Queenslanders with government Ministers through 10 Ministerial online chats in 2002-03. The website also invited young people to comment on relevant legislation, allowed them to request information about government processes, and gave them an opportunity to provide input into government decision-making.
- In 2002-03, the department briefed the government on issues including research into education and training pathways, progress on the Skilling Queensland strategy implementation, and the review of the *Breaking the Unemployment Cycle* initiative.
- The department and Education Queensland prepared a submission for the Queensland Government to a Federal House of Representatives Standing Committee on Education and Training. The submission identified issues to be addressed to build on Queensland's achievements in vocational education and training in schools.

Identify and manage strategic partnerships to consolidate the department's position and influence on the policy agenda

- Innovative partnerships with creative industries stakeholders resulted in the development of a training strategy for Queensland's creative industries called *Investing in Cultural Enterprises*. Outcomes in 2002-03 included the delivery of youth arts initiatives and development of the Transit Lounge at the Judith Wright Centre for Contemporary Arts (in collaboration with Youth Arts Queensland and Arts Queensland).
- Queensland continued to lead Australia in the take-up of school-based apprenticeships and traineeships. To ensure the ongoing success of this initiative, the department chairs a School-based Apprenticeship and Traineeship Advisory Committee comprising representatives from industry, trade unions, peak employer organisations, Queensland's education sectors and Commonwealth and state government representatives. The committee met bi-monthly in 2002-03, and provided strategic advice and direction.
- Under delegation from the Training Recognition Council, the Queensland Studies Authority registers and regulates schools operating as registered training organisations. The department has developed a strong, collaborative partnership with the Authority in order to support quality outcomes for school students. It is also represented on steering and reference groups overseeing the Authority's implementation of *Education and Training Reforms for the Future* actions.
- In November 2002, the department established a steering committee to provide feedback on contemporary issues influencing quality in vocational education and training. The committee, comprising representatives from private registered training organisations, Commerce Queensland and the Business Excellence Framework, met six times in 2002-03. Members advised on system

improvement strategies and helped build positive relationships to improve the quality of vocational education and training provided in Queensland.

- The department's Manufacturing Training and Employment Strategy, a coordinated and comprehensive response to the training and skills development needs of the manufacturing industry, is a key component of *Making Queensland's Future - A Manufacturing Development Plan*. During 2002-03, the department developed a framework for an interagency approach to attract and retain a skilled workforce for the industry, deliver innovative training and improve the manufacturing industry's image.
- The department developed its training and employment investment plan, the *2003-04 Queensland Training and Employment Priorities*, in collaboration with stakeholders including other Queensland Government agencies. This is to ensure that the plan is integrated with Queensland Government priorities, including:
 - industry development plans: including *Creative Queensland*, *Growing Tourism* and *Making Queensland's Future – a Manufacturing Development Plan*
 - plans and strategies for key population groups: including *Education and Training Reforms for the Future*, *Ten Year Partnership Plan* and the *Queensland Government Strategic Framework for Disability*
 - regional and community development plans including *Cape York Partnerships*, *Western Corridor Economic Development Strategy* and the *Central Queensland Training and Employment Strategy*.

Achieve shared understanding – internally and externally – of the nature and role of vocational education and training in social and economic development at the community and state levels.

- A key partnership for vocational education and training is with universities. During 2002-03, several TAFE Queensland institutes progressed agreements with Queensland universities which aim to improve ease of articulation from TAFE to university and maximise the credit that universities give to students for their TAFE diploma-level studies. For example, Southbank Institute of TAFE in 2002-03 negotiated an innovative triple qualification with Griffith University. It gives students accelerated access to a diploma, advanced diploma and bachelor qualification in club management and gaming.
- The department worked collaboratively with Education Queensland to engage and inform stakeholders about the development of the *Education and Training Reforms for the Future* green paper and the release of the white paper. Communication with internal and external stakeholders included media launches, information forums held across the state (presented by the Minister), distribution of the white paper to all stakeholders, and establishment of an internet site and call centre to field enquiries. Ongoing communication activities are being undertaken by the *Education and Training Reforms for the Future* implementation team.



Education sectors work together

Bundaberg's Rebecca O'Dwyer successfully completed her secondary schooling as well as a school-based traineeship in Certificate II in Retail Operations from Bundaberg Skills Centre Inc in 2002.

Following this, she enrolled to study for a Bachelor of Business Administration and a Bachelor of Professional Communication at the University of Central Queensland. She also continued with a Certificate III in Retail Operations with Wide Bay institute of TAFE and her host employer Bundaberg Bridal Boutique.

Links between vocational education and training and other education sectors continued to become stronger in 2002-03. TAFE institutes implemented new articulation and partnership arrangements with universities, while schools and vocational education and training providers worked more closely together to plan implementation of Education and Training Reforms for the Future.



Future Outlook

- A policy framework to be developed for vocational education and training for school students will position vocational education and training as a critical component of young people's learning.
- The department will continue to lead the Public Private Partnership project to create the Southbank Education and Training Precinct.
- Queensland will negotiate with the Commonwealth Government to establish terms for a new Australian National Training Authority agreement. This agreement, to replace the current agreement from January 2004, will outline the Commonwealth funds to be directed to the states and territories, and commit Queensland to agreed national priorities for vocational education and training.
- In partnership with Education Queensland and across government, the department will continue to progress strategies to improve adult Queenslanders' skills, knowledge and qualifications and to encourage learning throughout life.
- The department will continue to develop policies and strategies which facilitate smooth transitions from school to further education and work.

Partnerships with industry

TAFE Queensland institutes work closely with industry to develop responses to business needs. In 2002-03, examples included:

- The Bremer Institute of TAFE established a partnership with the Queensland Master Builders Association and Construction Techniques to set up a 'one-stop shop' service to help builders with assessment and preparation for licensing.
- A partnership between the Barrier Institute of TAFE and the Queensland Marine Academy resulted in strong growth in maritime training in the Mackay/Whitsunday industry. This included growth in industry contributions to training.
- The Central Queensland Institute of TAFE is working with a network of local engineering, mining and engineering support businesses to address skill shortages in central Queensland's engineering and related industries. The partnership initiated a program, MAIN CARE, in March 2003 to support an increase in apprentices and the up-skilling of existing workers.
- Videolinq, e-learning and face-to-face teaching are combined to allow Southern Queensland Institute of TAFE to deliver Coles Myer's retail training in regional and rural areas.
- A training program to meet skill gaps among Atherton Tableland tourism operators and workers provided free training for 150 tourism workers in 2002-03.
- The Logan Institute of TAFE developed a partnership with the Department of State Development to provide responsive training that will improve management of local small business. The region contains a large number of small businesses.
- TAFE Queensland Mining Services continued to develop as an innovative partnership between the mining industry and four TAFE Queensland institutes — Central Queensland, Barrier Reef, Mt Isa and Southern Queensland.
- Under a Memorandum of Understanding between the Brisbane North Institute of TAFE and the National Security Screen Association, the institute was equipped with a purpose-built testing rig. The rig will be used to train apprentices and manufacturers in the security screen industry.
- Moreton Institute of TAFE developed an industry-based pilot program in computer numeric controlled machining in response to needs identified by the Australian Industry Group, the industry training advisory body and the Department of State Development.

Education and Training Reforms for the Future

The Queensland Government's *Education and Training Reforms for the Future: A White Paper*, announced in November 2002, sets out a range of strategies to support young people in one of the most important transitions of their lives – the shift from school to work or further study.

The reform package aims to keep all young people aged 15 to 17 in school or training, to give them the best chance at active participation in society throughout their lives.

Vocational education and training options will be combined with traditional education and work placements to provide new, flexible programs tailored for individual young people. These expanded pathways aim to help every young person achieve a Senior Certificate or a Certificate III through education, training or approved employment.

The department, in conjunction with Education Queensland, the non-state schooling sectors and the Queensland Studies Authority, is responsible for implementing aspects of the reform package, particularly those relating to the senior phase of learning.

Achievements in 2002-03

In 2002-03, the department progressed implementation of the reform package by:

- establishing the Education Leaders Network, with membership drawn from all public providers, regional offices and divisions
- enhancing public provider resource and performance agreements to ensure an increased focus on 15 to 17 year olds, particularly those disengaged from school, training and work
- contributing to the development of trials at seven sites across Queensland
- facilitating, through TAFE Queensland, the development of a new product specifically targeting disengaged youth
- fostering local level partnerships in the development of infrastructure (for example, the Southbank, Mt Isa and Caboolture Education and Training Precincts, and co-location of TAFE campuses with state high schools at Atherton and Mossman)
- reviewing pathways through senior schooling and beyond (which provided valuable guidance in developing the reform package).

Key reforms for 15 to 17 year olds

Legislation will require young people to participate in education and training until they have gained, as a minimum, a Senior Certificate or a Certificate III vocational qualification or until they turn 17 or enter full-time work.

New programs will have more flexibility so young people can gain qualifications through a wide range of options including traditional education, vocational education and training and work placement.

Individual student plans will be developed and agreed during year 10.

More career and personal support for young people will help them through the senior phase of learning.

A community commitment to young people is being fostered which encourages local partnerships to find local solutions to help young people succeed.



Cooktown students explore flexible pathways

Cooktown State School P-12 offers students a range of options to help keep them learning or earning. Kama Miller for example is undertaking a school-based traineeship in business.

The school also offers an innovative partnership-based outreach program aimed at 13 to 19 year olds in the southern Cape York region who have left, or are at risk of leaving, the education system. The program takes alternative education programs outside the school setting to young people in their own environments in Cooktown, Hopevale, Laura and Wujal Wujal.

Through local partnership committees in each community, the program offers young people literacy and numeracy programs, work placement, and life skills development. The long-term aim is to reintroduce young people to education, employment and community life.

The program builds on Cooktown State School P-12's successful school-based alternative education programs.

Future outlook

In 2003-04, the department will support reform implementation. This includes:

- expanding the Youth Access Program to assist school-based young people who are at risk of leaving school early
- implementing District Youth Achievement Plans which outline priorities and targets for young people in the trial areas
- developing a purchasing framework to support expanded education and training options for young people
- developing a suite of TAFE learning products specifically for young people, including a course aimed at re-engaging students who have dropped out of education or training or who are at risk of doing so
- allocating funds from existing sources to support strategies for young people, including training for more than 20,000 15 to 17 year olds
- exploring the feasibility of additional school-based skill centres in Stanthorpe, Gladstone, Gordonvale, Cairns, Bundaberg and the Gold Coast
- providing employment and training assistance for at least 300 disengaged and at-risk young people through the new Get Set for Work program
- introducing innovative programs to help young people develop careers in arts and cultural industries (the department will work with Arts Queensland to implement *Children and Young People in Creative Queensland: Queensland's Cultural Policy in Action 2003-2005*)
- providing professional development for TAFE Queensland staff to improve their capacity to effectively deliver training to young people
- designating 15 to 19 year olds as a priority population group for apprenticeships and traineeships (including school-based apprenticeships and traineeships) through the User Choice funding program.

Organisational capability

Commitment/Target	Actual Performance	Result
Establish TAFE Centre for Innovation and Development	Established 1 July 2002	Commitment achieved
Ensure TAFE Queensland financial viability	TAFE budget surplus achieved	Commitment exceeded
Annual average full-time equivalent staff: 7,205	Actual average full-time equivalents: 7,190	Efficiency target exceeded

Feedback from clients and stakeholders indicates that the department is performing well. The department has implemented a number of key initiatives to integrate management of staff, technology and finance planning and decision-making. Its focus on customer service and innovation has led to improved customer satisfaction with products and services.

During 2002-03, customer surveys revealed increasing levels of satisfaction, while surveys of training industry stakeholders, including registered training organisations and group training organisations, revealed high levels of satisfaction with the department's contract management and audit processes. Community organisations that sponsor employment projects also responded positively.

The quality work of staff and departmental business units was recognised in 2002-03 by several awards. The Central Queensland Institute of TAFE was named Large Training Provider of the Year at the Queensland Training Awards. Training Services received a Premier's Award for Excellence for the school-based apprenticeships and traineeships program, and the Gold Coast Institute of TAFE won a Premier's Award for its youth program.

To achieve its desired organisational capability, the department is seeking to develop highly skilled and motivated people in a sustainable organisation which has a culture that is clever, responsive, creative and innovative. During 2002-03, the department progressed towards this goal through improvements in systems and structures. For example, the TAFE Centre for Innovation and Development was established in July 2002 to improve TAFE's service through innovation in product. A new performance management framework for the department's senior managers was also introduced.



Central Queensland institute named top provider

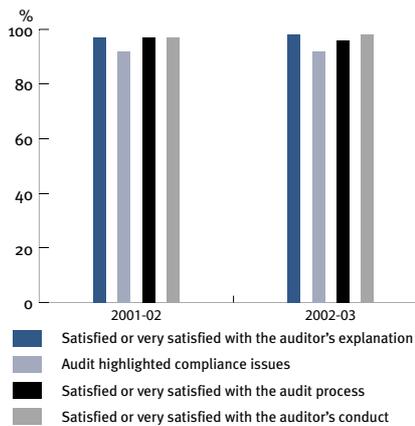
Central Queensland Institute of TAFE was named Queensland's large training provider of the year at the 2002 Queensland Training Awards, and again in 2003.

Institute Director Bill Fry (right) is pictured celebrating with TAFE Board Chair Donna-Maree O'Connor and award sponsor Sean Hyde from APN Newspapers.

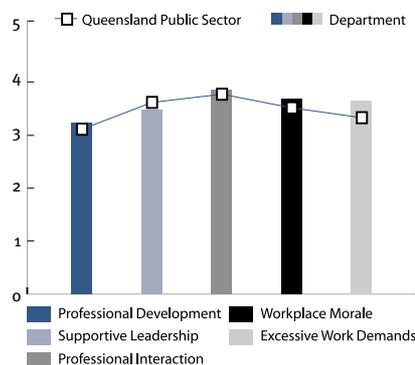
The award recognised the institute's innovative, flexible responses to the region's skill needs. This includes its leadership role with the Central Queensland Training and Employment Strategy and with TAFE Queensland Mining Services.

Results at a glance

Evaluation of departmental audits of registered training organisations



Staff survey results



Strategies

Further progress leadership and skills development initiatives that recognise business unit, departmental and whole-of-government objectives

- The department is committed to providing staff access to nationally recognised training, assessment of competencies (including recognition of current competencies), on-the-job training and other means of professional and personal development. In 2002-03, the department invested 3.11 per cent of its staff salaries expenditure into competency development activities through training and support for staff undertaking tertiary study.
- 76 staff participated in four Advancing Executive Leadership Programs.
- A pilot First Line Leaders Program targeted all departmental staff at the AO3 to AO6 levels. 17 participants commenced the pilot program in February 2003.
- Financial Management Capability Development Training was conducted for 835 staff.
- 146 staff at the AO2 to AO4 and OO2 to OO6 levels participated in the Enterprise Bargaining Training Initiative. Of these, 113 obtained formal qualifications.
- Participation in the whole-of-government executive mobility program resulted in an exchange of a Senior Executive Service officer with the Department of Families.
- The department identified leadership accountabilities for priority industry and population groups, regional economic development initiatives and priorities of government. TAFE institutes, regional offices and units of the department have taken responsibility for coordinating responses for particular groups and initiatives. The lead agency will engage with the client group, bring together staff and activity for that group, and work with other government agencies to develop whole-of-government solutions for client needs.
- Professional development for TAFE teachers has supported the use of blended delivery tools and methods. 189 TAFE teachers enrolled in an e-learning facilitators' course. Many teachers attended the Riding the Wave and Shooting the Tube conferences and an e-learning symposium coordinated through TAFE Queensland OnLine.
- The department in 2002-03 recruited 193 full-time trainees, 37 school-based trainees and six participants of the Youth for the Environment program.
- The department managed two Migrant Work Experience Programs. There has been a 97 per cent employment success rate for participants who actively sought work.

Align planning, financial, asset and operational systems and processes to the strategic plan

- During 2002-03, a performance management framework was developed to provide clear linkages between the strategic plan, outcomes, outputs, systems and processes.
- Asset management during 2002-03 supported achievement of the strategic plan outcomes. The department's capital acquisitions totalled \$53.953 million. Total infrastructure expenditure, including operating components, totalled \$68.495 million.
- Most infrastructure funds are directed towards the TAFE provider network. In 2002-03, \$21.553 million was invested in major and minor capital works across TAFE institutes. Funding was provided from the department's infrastructure program to TAFE institutes for maintenance and expansion of the information and communication technologies infrastructure. In 2002-03, the total information and communication technology investment in TAFE infrastructure was approximately \$26.439 million, of which \$14.3 million was invested in the new Institute Student Administration System.

Ensure sophisticated communication, decision-making business systems and processes to build organisational capacity

- The department took a whole-of-government lead agency role in investigating possibilities to improve planning, budgeting and reporting processes. This initiative will deliver a coordinated and strategic approach to improve the department's planning, budgeting, financial and non-financial performance reporting and align it with best practice.
- During the year, the department partnered with SAP/IBM to develop an understanding of data warehouse and business intelligence software. The aim was to determine the suitability, functionality and capabilities, and the business benefits that such software would provide in budget planning, reporting and performance management.
- In 2002-03, electronic lodgement of training contracts was implemented across all Queensland regions, allowing new apprenticeships centres to register training contracts online. This innovative business process has reduced return rates from 4.5 per cent under the manual system to 2 per cent; and it has improved registration turn-around times.
- The TAFE Queensland Board endorsed the *TAFE Queensland Business Improvement Program* in August 2002. TAFE institutes implemented the program from January 2003, enabling them to take ownership of quality issues and to build on Australian Quality Training Framework requirements compliance as part of their everyday business. The program includes a self-assessment procedure which sets out a strategy for institutes to manage their own audit processes based on a risk management approach. The procedure encompasses a rigorous audit process. It will ensure the validation of compliance with training standards across an institute's full scope of registration within the five-year registration period.

Key initiatives implemented or progressed during 2002-03 to better align operations to the department's strategic plan

<p>Key result area: Financial performance</p>
<p>Initiatives: Financial Management Improvement Program Financial Management Competency Development Integrated budget cycle and processes Financial system (SAP) integrity improvement Management Cycle Integration Project</p>
<p>Key result area: Human resource management</p>
<p>Initiatives: Workforce Capability Improvement Program Staff satisfaction surveys Leadership programs Executive Performance and Development Plans Business unit workforce planning 360 degree feedback</p>
<p>Key result area: Communications and systems</p>
<p>Initiatives: Information and Communication Strategy Information standards review Business Systems Board facilitation</p>
<p>Key result area: Strategic management</p>
<p>Initiatives: Strategic plan facilitation Business planning facilitation Performance Management Framework Annual strategic management planner</p>



Awards recognise staff achievements

Tracey Holt from the department's Wide Bay Sunshine Coast region won an innovation award in the department's 2003 staff excellence awards. The award recognised Tracey's work in developing a training program for departmental staff which improved their ability to investigate issues relating to apprenticeships and traineeships.

Over 205 staff from all over the state were recognised for outstanding work performance with nominations in the annual Staff Excellence Awards. The 18 winning individuals and teams were announced at a ceremony held at Parliament House. In 2002-03, the Staff Recognition Awards replaced the department's Australia Day Achievement Medallions.

- Employee Opinion Survey data was successfully integrated with the department's Minimum Obligation Human Resource Information into a data cube. This is the first time that data of this nature has been successfully integrated from two separate sources in the Queensland public sector. This outcome is a significant achievement in allowing more informed decision-making for workforce planning and management of workforce cause and effect.
- In 2002-03, the Open Learning Institute's customer relationship system was evaluated as best practice. This was through a benchmarking partnership with public training providers in other states.

Improve knowledge management culture, skills and processes

- The results of the staff survey conducted in 2002-03 regarding knowledge sharing were:

“Employees within the department displayed a tendency towards a high frequency of knowledge sharing with their co-workers. The frequency of knowledge sharing was somewhat reduced when employees referred to knowledge sharing with their manager, and this downward trend continued when the frequency of knowledge sharing with people from other work units is considered. However, generally the frequency at which employees engage in knowledge sharing is relatively often.”

- The department implemented an Advice Online service to improve knowledge sharing. The program provides short, concise pieces of information about a variety of management and work-related topics. It also links to related topics, training opportunities, departmental policies, library references and quick quizzes. Surveys suggest that the tool is mainly used by AO1 to AO5 level staff, and 43 per cent of respondents have used Advice Online more than once.
- TAFE Queensland staff collaborated to support teaching and learning by using the Product Exchange Network, a resource that allows uploading and downloading of resources and teaching materials. Registered users increased by 24 per cent in 2002-03, and resources uploaded increased by 69 per cent.

Improve our understanding of the social and economic environment to enhance staff, client and industry satisfaction

- During the year, the department pulled together its research and reporting functions into one unit called Employment and Training Performance. This unit assists the department's understanding of its environment through:
 - high-level primary research into labour market and vocational education and training (including econometric analysis, statistical analysis and economic forecasting of the Queensland labour market)
 - analysis of socio-economic factors relating to vocational education and training and labour market behaviour and trends
 - collection and reporting on trends in training participation and outcomes
 - dissemination of research findings

- monitoring the performance of the training system to ensure that the significant public dollars were invested most effectively to lead to the achievement of the government's economic and social objectives.

Implementation of a standardised staff satisfaction survey to monitor staff morale and wellness

- The Queensland Public Agencies Staff Survey (QPASS) was implemented throughout the department in 2002-03 to provide performance intelligence on workforce characteristics and leadership qualities; to explore links between business performance and staff satisfaction; to improve the workplace environment for staff; and to drive organisational improvement. This was the first year the survey was completed by the entire department, with TAFE institutes previously using a different survey tool.
- In August 2002, Phase I of the Staff Opinion Survey was rolled out to all departmental staff, excluding TAFE institutes (except the Cooloola Sunshine Institute of TAFE). Staff at the remaining TAFE institutes were invited to complete the standard survey in February 2003.
- Across the department, 8,302 surveys were distributed. There were 3,603 respondents, giving a departmental response rate of 43.4 per cent. This comprised a 37.8 per cent response rate from TAFE and a 76.8 per cent response rate from non-TAFE staff.
- Survey results informed the Executive Leadership Development Framework and fed into departmental planning. Results enabled monitoring and assessment of organisational capability risk factors such as climate and morale characteristics that impact staff retention.
- Development of strategic interventions began, based on staff feedback. They targeted improved support of firstline leadership, shared value around teamwork, and excessive work demands (encompassing change and performance management).

Further develop initiatives to improve the organisational wellness of our staff

- The Working Well program in 2002-03 undertook a range of organisational wellness activities. These included flu vaccinations, health expo promotions and health promotion activities.
- The departmental staff awards were held in June 2003, attracting nominations for 65 individuals and 24 teams. Nominations in six categories came from across the department, including TAFE institutes and regional offices.
- The Employee Assistance Service continued to offer counselling services for all staff within the department and TAFE.
- The William Street Family Room continued to be available to staff seeking to balance work and family obligations. In 2002-03, the room was in use (mainly for family purposes) for 126 out of 250 working days, representing 51 per cent usage.



Teachers rise to the occasion

Southbank Institute of TAFE bakery teachers Debra Malpass and Gerhard Mager set high standards for their students. The pair took out top honours at the 2003 Queensland Bakery Industry Awards for their excellence in training. Gerhard has taught budding bakers for ten years, and Debra for five.



Partnership builds skills

A Community Training Partnership project through Goodna Neighbourhood House and The Bremer Institute of TAFE provided disadvantaged jobseekers in the Ipswich-Brisbane corridor with basic career advice, a training plan and vocational training.

Employment and Youth Initiatives General Manager Bernie Carlon met project coordinator Sandra Keller (left) and participant Lindsay Morton (right) when he visited. The partnership project provided people with training for local employment opportunities in areas including retail, computers, first aid, aged care, food processing, forklift ticket, building construction, welding, horticulture and art. Twenty local Indigenous people undertook justice of the peace training, part of a move to make it easier for Indigenous people to deal with the "red tape" and paperwork that can impede access to employment and training opportunities.

In 2002, more than 400 people participated, with 60 per cent employment outcomes. Similar targets have been set for 2003.

TAFE Queensland institutes – organisational capability improvements 2002-03

Institute	Organisational Capability
Barrier Reef	<ul style="list-style-type: none"> The Netlearn initiative focused on changing culture and practice through a mentoring program and the development of 16 projects using cross-functional teams. Through quality initiatives, management and staff developed a niche market in Japan and Korea for Diversional Therapy.
Brisbane North	<ul style="list-style-type: none"> A new integration program, including strategic and operational planning, better aligned operational systems and processes. An e-business strategy was embraced with the development of an innovation and research unit.
Central Queensland	<ul style="list-style-type: none"> Partnerships with major industry groups enabled economic development to progress. The institute was selected as a pilot site for regional implementation of the institute Student Administration System.
Gold Coast	<ul style="list-style-type: none"> The institute established a centre of excellence in applied technology, and reviewed all knowledge management systems and practices. Innovative and collaborative business practices expanded through partnering arrangements and joint ventures with Riviera Marina, Bunnings Warehouse Hardware Group, ETETC and key international agent networks.
Moreton	<ul style="list-style-type: none"> The institute became the department's lead centre for fashion, automotive, engineering and youth.
Mount Isa	<ul style="list-style-type: none"> The Mount Isa Education and Training Precinct-TAFE structure created greater opportunities for staff, including shared support services.
Open Learning Institute	<ul style="list-style-type: none"> Awarding of the Commonwealth Adult Migrant Education Program contract to TAFE Queensland increased the organisation's level of sustainability.
Southbank	<ul style="list-style-type: none"> The Public-Private Partnership Project will position Queensland as an international leader in education and training through the refinement of existing products, international marketing and strategic relationships. This will ensure the need for highly skilled and motivated staff.

TAFE Queensland institutes – organisational capability improvements 2002-03
(continued)

Institute	Organisational Capability
Tropical North Queensland	<ul style="list-style-type: none"> To further develop partnership opportunities, the institute established an East Timor resource centre.
Wide Bay	<ul style="list-style-type: none"> A law enforcement department was developed. The Virtual Business Training Environment and its innovative information technology program was described as outstanding for reflecting current business practices for the IT industry.

Future Outlook

From 1 July 2003, the department will host a shared service provider, Corporate Solutions Queensland, to provide corporate services for eleven Queensland Government agencies. Many of the department’s corporate services staff moved to the shared service provider, along with the assets and liabilities associated with the delivery of corporate services.

TAFE institutes will develop individual asset strategic plans. The plans will align with, and assist in, determining the asset requirements in built infrastructure and non-building support infrastructure needed to meet community training needs.

The department will introduce a new achievement and performance planning, monitoring and reporting process in 2003-04.

The performance management framework will be further enhanced during 2003-04 with the development of a departmental Balanced Scorecard linked to the strategic plan objectives and performance indicators. This will be cascaded down through the organisation to ensure alignment of business, operational and other plans.

Leadership development programs will continue during 2003-04. The Advancing Executive Leadership Program will be evaluated to ensure it meets the needs of participants in the changing public sector environment. The evaluation of the First Line Leaders program at the end of September will set the scene for the direction and delivery of the program. A pilot of the Proactive Leadership Development Program and additional financial management capability development courses will be conducted during 2003-04.

The department will integrate vocational education and training, financial management and human resource management information into a data warehouse and business intelligence system. This will automate the collection, collation and reporting of performance information.

The department will develop and implement an information and communication technologies strategy.



Medal honours TAFE director Eric

As Director of Southern Queensland Institute of TAFE's Nurunderi campus at Cherbourg, Eric Law has dramatically increased student numbers by introducing employment-oriented programs tailored for the local community. Programs such as horticulture, security guarding, business and drug and alcohol counseling have attracted students from Cherbourg and further afield. Eric also led development of an Indigenous youth leadership program.

In 2003 Eric's service to Aboriginal and Torres Strait Islander communities was recognised with a Centenary Medal.

Spotlight on ...

TAFE Queensland's performance

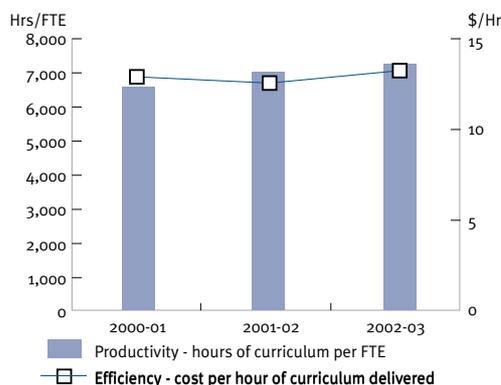
TAFE institutes continued their turn-around in financial performance in 2002-03, with TAFE delivering better productivity and increasing its user charges revenue base.

The 2002-03 end-of-year operating surplus of \$1.699 million for TAFE Queensland is despite an unfunded expense of \$8.6 million due to a change of depreciation method, and an additional expense of \$1.06 million to fund backdated Award increases. Without these unforeseen expenses, TAFE Queensland institutes would have ended the year with an \$11.4 million operating surplus – an excellent result.

Productivity and efficiency

TAFE delivered seven per cent more training compared with the previous year – a total of 2.93 million additional hours of training. TAFE Queensland institutes increased productivity by 4.19 per cent compared with 2001-02, delivering 7,247 actual hours of curriculum for each full-time equivalent staff member. In the same period there was a 5.09 per cent decrease in efficiency, with an overall increase of \$0.64 for each actual hour of curriculum delivered, due to increased labour costs.

TAFE productivity and efficiency



About our people

As at 30 June 2003, the department employed more than 8,780 people across its head office, regional offices and TAFE institutes in 7,190 average annual full-time paid equivalent positions. This represents a 0.4 per cent decrease in average annual full-time paid equivalent positions from the previous year.

Traineeships

Target Group	Public Sector Traineeship Program (actuals)	Youth for the Environment Program (actuals)
Total	230	6
Full-time	193	6
School-based	37	-

Diversity targets for traineeships

In 2002-03, the department achieved its targets for Public Sector Traineeship Program representation under the Diversity Plan.

Target Group	Target	Actual Proportion
Women	at least 50%	70%
Aboriginal and Torres Strait Islander peoples	10%	12%
People from non-English speaking backgrounds	at least 5%	8.7%
People with a disability	5%	7.8%

Gender profile

The department has 18 per cent more female staff than male staff. At the higher salary levels, AO6 and above, the proportion of female staff to male staff is 47.3 per cent, up from 45.3 per cent last year. This represents a two per cent increase in women in departmental management positions in 2002-03.

Departmental women were actively encouraged to participate in leadership development and mentoring programs. Of the participants in the department's Advancing Executive Leadership Programs during 2002-03, 50 per cent were women.

Workforce equity strategies

Activities during the year included:

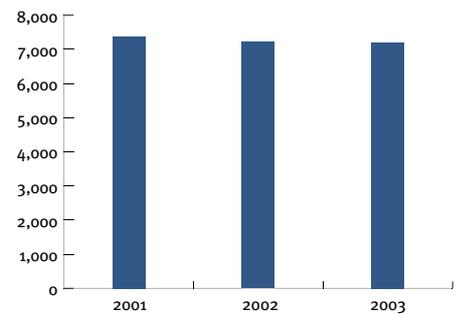
- Consultation continued with staff through the Aboriginal and Torres Strait Islander, Ethnic Communities, People with a Disability, Women's and Youth and Trainee networks.
- To raise awareness and celebrate achievements, functions were hosted for International Women's Day, National Harmony Day, National Aboriginal and Islander Day Observance Committee (NAIDOC) Week and Disability Action Week.
- The department participated in the Queensland Women in the Public Service Mentoring Program.
- A Job Application and Interview Skills Workshop was held for staff from non-English speaking backgrounds.
- The department sponsored youth staff members and specialists in two forums on youth transitions into the workforce.

Multicultural activities

During the year, the department continued the implementation of pilot projects under the Multicultural Leading Agency Partnership. This partnership involves the department, Multicultural Affairs Queensland, the Office of Public Service Merit and Equity, the Department of Industrial Relations and the Department of Emergency Services. The projects aim to increase public sector employment outcomes for people of diverse cultural and language backgrounds, including:

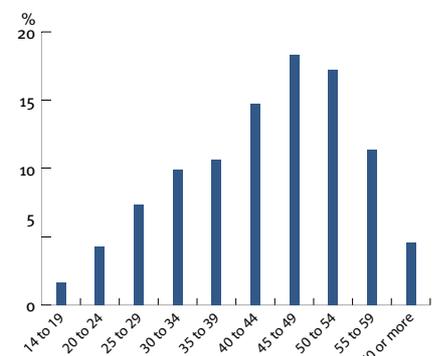
- Cross-cultural awareness training for selection panels: The department arranged seven cross-cultural awareness sessions facilitated by Multicultural Affairs Queensland. They were attended by 139 staff from the partnership agencies, with 98 per cent of participants providing positive feedback.
- Language aide project: 19 participants, including 13 departmental staff, completed Theory and Practice of Interpreting training (delivered by Southbank Institute of TAFE) before sitting for Language Aide or Paraprofessional Interpreter accreditation from the National Accreditation Authority for Translators and Interpreters (NAATI). The department has since developed a language register to allow staff with language skills other than English to be identified.
- Community employment and information sessions: Representatives from 10 community organisations working with people of diverse cultural and language backgrounds attended 'train the trainer' employment workshops funded by Multicultural Affairs Queensland and facilitated by Brisbane North Institute of TAFE. In stage 2 of the project, the department allocated Community Employment Assistance Program funding of up to \$50,000 for these participants to deliver workshops to their own communities in Cairns, Townsville and Brisbane.

Annual average paid full-time equivalent positions:

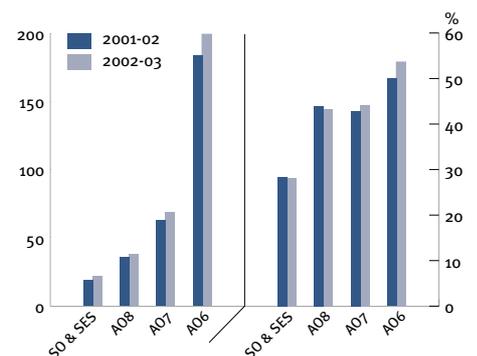


Age profile

The average age in the department is 44.17 compared with 41.99 across the public sector.



Women in management



* includes all active paid employees in substantive positions at A06 and above or equivalent classifications.



Teaching is a noble career for Aileen

The 2002 Adult Learners Week Tutor of the Year, Aileen Noble, has developed a range of innovative and individualised learning tools for her students at The Bremer Institute of TAFE. As an adult literacy and numeracy tutor working with special needs students in Ipswich, Aileen believes learning tools should be fun, colourful and specially tailored to her learners.

Aileen, who herself has a disability as a result of contracting childhood polio, has taught special needs students for more than 30 years. She began tutoring to help others address their disabilities in a positive way.

Aileen is a great role model for her students. Despite only reaching the seventh grade, she went back to school to become an adult literacy and numeracy tutor.

Employment equity and diversity

During 2002-03, the department finalised its Diversity and Equity Plan. The plan aims to balance social justice and legislative imperatives with increased recognition of the value of a diverse workforce.

Target Group	Actuals	%	2006 Target %
Aboriginal and Torres Strait Islander peoples	153	2.1	5.0
People from non-English speaking backgrounds	532	7.2	13.5
People with a disability	612	8.3	10.8
Youth (under 25 years)	430	6	9.1

*All data based on headcount (excluding casuals) as at 30 June 2003.

Future Outlook

The Multicultural Leading Agency Partnership and pilot projects will be evaluated in mid-2003. Future activity for the department will include:

- promoting a register of cross-cultural training participants to facilitate the formation of selection panels
- ongoing promotion of the language register
- funding of further employment workshops.

Corporate Governance

Management team oversees performance

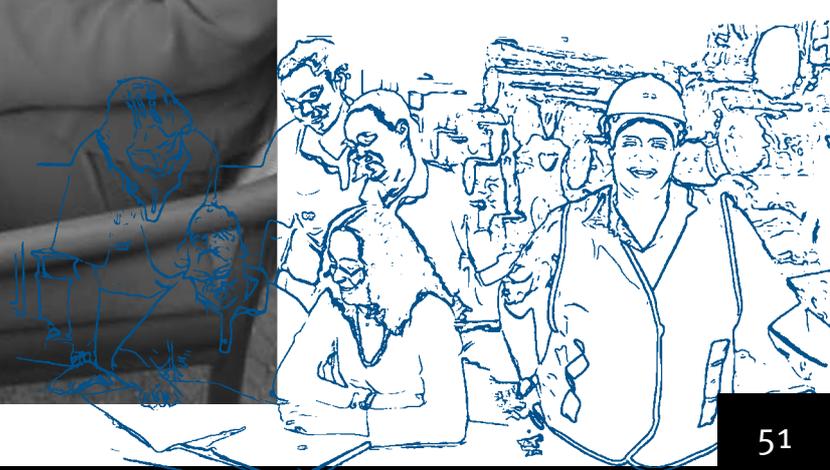
The department's Business Management Executive provides strategic direction and leadership, establishes priorities and monitors the performance of the department.

Standing left to right: Mike Anderson, Rod Camm, Robyn Pope, Frank Vardanega and Peter McNeale.

Seated left to right: Bob McAulay, Rod Arthur, Jim Varghese, Chris Robinson, Mike Fishpool and Lynette Lamb.

Absent: Robert Setter, Bernie Carlon and Zea Johnston.

This section of the report outlines the department's governance structures and systems, and includes profiles of the Business Management Executive members.





Corporate Governance

Key achievements in 2002-03

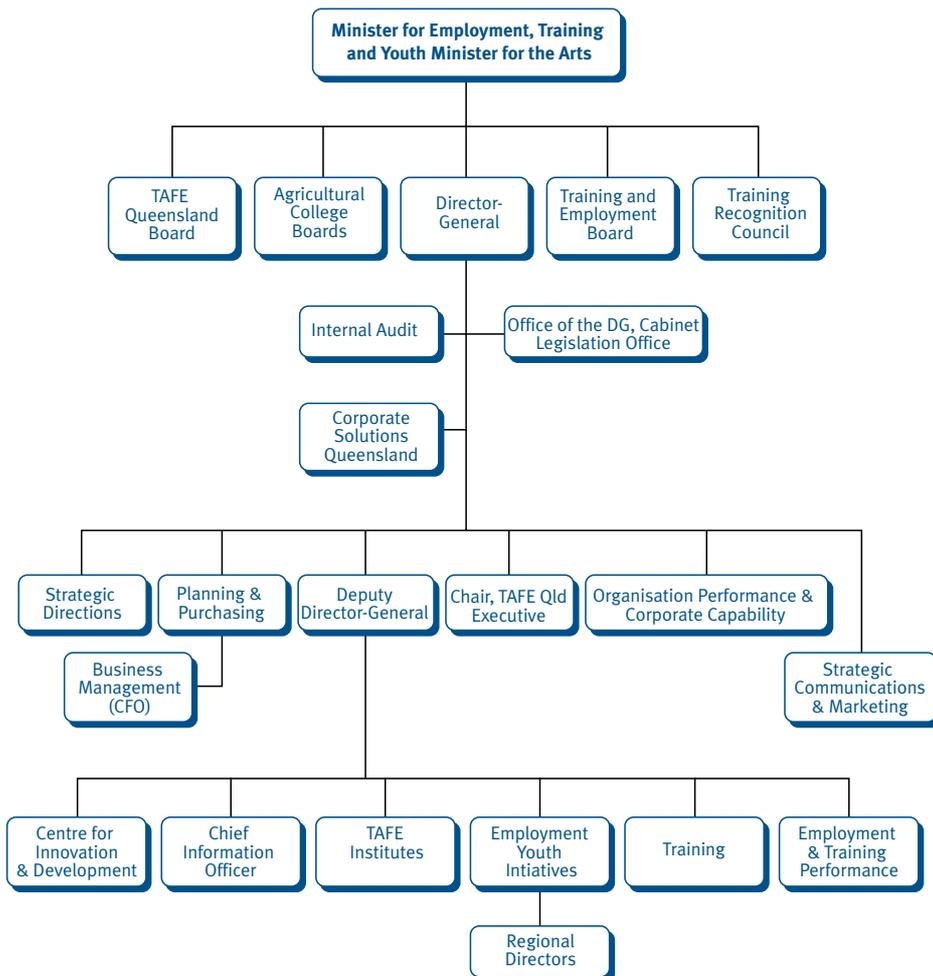
- A Chief Financial Officer position was introduced, resulting in a more strategic, holistic approach to financial management and reporting.
- The department introduced a Chief Information Officer position, resulting in improved management of, and planning for, the department's information technology and communication assets.
- An external chairperson for the Audit Committee was appointed to provide independent advice.
- The Executive Management Team was reconfigured to form two new management forums – the Executive Team and the Business Management Executive – to undertake key executive governance activities, provide strategic direction and leadership and monitor performance.

Corporate Governance Model

The department's corporate governance model supports achievement of strategic goals and operational objectives through internal and external governance systems, performance and development. Through effective leadership and clear accountability the department optimises its performance in an environment consistent with its values and vision.



Management Structure



Management Team

Jim Varghese

B.A (Hons), B.Div., Dip.Ed., MBA

Director-General

Jim Varghese joined the department as Director-General in December 2002 after serving as Director-General, Education Queensland and the Department of Main Roads. He has also held senior positions in the Department of Primary Industries, Department of Natural Resources and in the Victorian education and training sector.

He is a member of the Australian Institute of Company Directors, the Australian College of Educators and the Australasian Evaluation Society. He is a Fellow of the Australian Marketing Institute and a Fellow of the Australian Institute of Management. He is also a recipient of the Centenary Medal.

Chris Robinson

B.Ag.Econ., Grad.Dip.Soc.Sci.

Deputy Director-General

As Deputy Director-General, Chris Robinson oversees the operations of the TAFE institutes, employment programs and training services. Chris was formerly the Managing Director of NCVER, Australia's national vocational education and training research centre.

He has also held senior executive roles with the Department of the Prime Minister and Cabinet, the Australian Department of Employment, Education and Training, and the Training, Enterprise and Education Directorate of the Employment Department in the United Kingdom.

Robert Setter

B.A/B.Ed(Hons), GAICD

General Manager, Planning and Purchasing

As the General Manager of the Planning and Purchasing group, Robert Setter is responsible for the effective allocation of public funding for vocational education and training to enable achievement of the government's economic and social imperatives.

Robert Setter has held several key leadership positions within TAFE Queensland, including Director, Market Development and Innovation within the TAFE Strategic Centre, and Deputy Director, Southbank Institute of TAFE. Robert's executive management experience includes private sector roles in tourism and small business.



Management Team (continued)

Rod Camm **General Manager, Training**

Rod Camm's responsibilities include the development and implementation of policy, operational and regulatory frameworks, and audit processes for vocational education and training in Queensland. Rod also leads a team focused on the effective delivery of apprenticeship and traineeships across the state.

He has held numerous senior positions across the vocational education and training, and industrial relations sectors. In 1999, Rod led a taskforce which implemented wide-ranging reforms based on the independent investigation into the quality of the traineeship system in Queensland.

Mike Anderson

Dip.T., B.Ed., MSM

General Manager, Organisation Performance and Corporate Capability

Mike has extensive experience in education as a District Director, Principal, Deputy Principal, Head of Department and secondary teacher. Before joining this department in March 2003, Mike was the Director, Organisational Performance and Alignment in Education Queensland.

In his current role Mike is responsible for the department's performance framework.

Zea Johnston

B.A., Grad. Dip.T., M.Admin.

General Manager, Strategic Directions and Policy

Zea Johnston is accountable for the development of strategic policy initiatives to meet the Queensland Government's priorities and to contribute to the achievement of national goals and objectives.

Zea's vocational education and training career began as a teacher in hospitality at the then Mt Gravatt College of TAFE, progressing through management positions with TAFE Queensland and the department.

Executive Groups

The department's executive groups are:

- Business Management Executive
- Executive Team
- Employment and Training Policy Group
- TAFE Queensland Board
- TAFE Queensland Executive.

Business Management Executive

The Business Management Executive assists the Director-General to meet his responsibilities and provides strategic direction and leadership, establishes priorities and monitors the performance of the department.

Membership includes the Director-General, Deputy Director-General, all general managers, the Chief Information Officer, Chief Financial Officer and the Chair, TAFE Queensland Executive. Meetings are held fortnightly.

Executive Team

The Executive Team is the executive group of the Business Management Executive. It has the key executive governance role, undertaking functions including providing strategic direction for the department, establishing strategic priorities, monitoring the department's performance and progress of new initiatives, significant projects and key activities and ensuring the efficient use of the department's human, financial and physical resources.

The Executive Team consists of the Director-General; the Deputy Director-General; the General Manager, Planning and Purchasing; the Chair, TAFE Queensland Executive; the General Manager, Strategic Directions and Policy and the General Manager, Organisational Performance and Corporate Capability.

The Executive Team meets fortnightly, in alternate weeks to the Business Management Executive.

Employment and Training Policy Group

The Employment and Training Policy Group is a departmental forum for information-sharing and discussion about current and emerging strategic policy issues regarding employment and vocational education and training in Queensland.

The group comprises the Director-General and Deputy Director-General; Chair, Training and Employment Board; Chair, TAFE Queensland Executive; all General Managers; Director, Strategic Planning and Legislation; Director, Youth and Learning Partnerships; Director, Employment and Skills Development and Director, Office of the Director-General.

The Employment and Training Policy Group meets monthly. External members from Education Queensland, Department of State Development, Queensland Treasury, Griffith University and University of Queensland attend meetings on a quarterly basis.

TAFE Queensland Board

The TAFE Queensland Board provides strategic advice to the Minister responsible for the administration of the *Training and Employment Act 2000* on the overall performance, viability and sustainability of the TAFE Queensland system, efficiencies and improvements to enhance the business focus and reduce risks across TAFE and strategies to ensure quality outcomes for students.

The board consists of four Institute Council Chairs, two Institute Directors and the Director-General. The chair of the board is nominated by the Minister for a two-year term and is responsible directly to the Minister.

In 2002-03 the board met nine times. It oversaw development of a strategic plan for TAFE Queensland for 2003-2006, undertook regular reviews of TAFE Queensland's performance, and commissioned a comprehensive analysis of TAFE institute asset disposal plans and recapitalising ventures.

TAFE Queensland Executive

The TAFE Queensland Executive comprises the Deputy Director-General and the Directors of TAFE Queensland institutes, one of whom is appointed by the Director-General to act as Chair of the Executive.

The TAFE Queensland Executive's role is to implement TAFE Queensland's strategic priorities, oversee management of systemic issues, and make decisions on key issues relating to corporate activities including products and marketing; business performance, industrial relations, client liaison and key account management. The executive met every two months in 2002-03 and held a weekly teleconference.

Departmental Committees

A number of committees and boards support the Director-General in providing leadership and direction for the department. These are detailed below.

The **Internal Management and Budget Review Committee** addresses budget and financial issues across the department. The committee considers resource allocation decisions, and determines budget and funding strategies to achieve value-for-money outcomes in line with the Queensland Government's Managing for Outcomes objectives.

The **Workforce Capability Improvement Steering Committee** provides leadership in the development of proactive and innovative approaches to human resource management to ensure alignment with departmental strategic workforce capability outcomes. The committee targets capability development strategies to facilitate the effective recruitment, development, management and retention of a high quality and diverse workforce. In 2002-03, the steering committee oversaw the implementation of improved departmental workforce planning, development and management.

Management Team (continued)

Bernie Carlon

General Manager, Employment and Youth Initiatives

Bernie Carlon is responsible for administering the Queensland Government's \$470 million *Breaking the Unemployment Cycle* initiative, the Community Training Partnership Program, the Worker Assistance Program and the Office of Youth Affairs.

Other positions Bernie has held in the Queensland Government include Executive Director of Training and Employment Queensland, General Manager of the Vocational Education Training and Employment Commission and General Manager of Workforce Services. Prior to taking up an appointment with the Queensland Government in 1993, Bernie held senior positions with the Commonwealth Government spanning 25 years.

Bob McAulay

AFAIM, SMIREE, MIE Aust, CP.Eng.

Chair, TAFE Queensland Executive; Director, Moreton Institute of TAFE

Bob McAulay is a member of the TAFE Queensland Board and Director of the Moreton Institute of TAFE. As the TAFE Queensland Executive Chair, Bob is responsible for leading the executive as it deliberates on systemic issues affecting TAFE.

Bob has held positions in private industry, in his own business and within all tiers of government in a wide range of industry sectors including manufacturing, water service, main roads, regional development and aviation as well as the training sector.

Peter McNeale

Regional Director, Wide Bay Sunshine Coast

Peter McNeale was nominated by his five fellow regional directors to represent the department's regional operations on the Business Management Executive. As regional director, Peter leads the department's employment, training and youth activities in the Wide Bay Sunshine Coast Region.

Peter has served the department in many areas of the state and has held field and management positions in employment, training, industrial relations and within TAFE.



Management Team (continued)

Lynette Lamb

B.Econ, Dip.Ed.

A/Chief Financial Officer

Lynette Lamb's responsibilities include corporate financial governance, negotiating and monitoring resource agreements and maintaining financial management frameworks within the department. Lynette leads a team focused on efficient and effective management of departmental resources that ensure value for money in meeting government priorities.

Lynette has held numerous senior financial management positions in the Queensland Government including Education Queensland and the Department of Employment and Training, and has been responsible for leading significant changes and improvement in financial management in these organisations.

Robyn Pope

MBA, Dip.T., B.Admin, Grad.Dip.Mment.

General Manager, Employment and Training Performance

Robyn Pope is responsible for data quality and reporting across the Queensland vocational education and training system. She oversees the department's analysis and reporting on labour market trends, the vocational education and training system and management information.

Robyn has held several senior appointments in the Department of Employment and Training, including General Manager, Strategic Human Resource Management. Previously she was Director, Workplace Services in the former Department of Employment, Training and Industrial Relations.

Frank Vardanega

MBA

Executive Director (Transition) – Corporate Solutions Queensland

In February 2003, Frank Vardanega was seconded to establish Corporate Solutions Queensland – one of three major shared service providers that will support multiple agencies in the Queensland Government from 1 July 2003.

Frank was previously General Manager of the department's Corporate Capability Development Division. He has held senior roles in the department and the Brisbane City Council since 1996.

The department's information management is overseen by the **Business Systems Board**, which supports business strategies with appropriate information resource management strategies and initiatives. The board is the key forum within the department for discussion and endorsement of the strategic use of information and information resources. It ensures the Director-General's relevant accountabilities under the Financial Management Standard are met by monitoring and reviewing information resource management projects and expenditure budgets to ensure that they achieve their objectives and represent value for money.

To develop and implement joint strategies, projects and infrastructure, the department formed a joint **Business Systems Board** with the Department of Industrial Relations. This combined board enables both departments to reap benefits from common approaches to specific departmental initiatives, and strategies relating to shared infrastructure, particularly information and communication technology.

The **Risk Management Committee** promotes, sponsors and coordinates development of a risk management culture throughout the department. The committee provides direction and guidance to management and staff to support preservation of the department's resources by establishing and managing risk limits and tolerances across the department. In 2002-03 the committee met twice and achieved the following:

- a review of the department's Occupational Health and Safety Management System to ensure it maintains alignment with organisational needs and contemporary and emerging occupational health and safety risks
- implementation of strategies for the prevention and management of work related stress
- implementation of the department's privacy principles.

The primary role of the **Audit Committee** is to advise and assist the Accountable Officer – the Director-General – to effectively discharge the responsibilities prescribed in the *Financial Administration and Audit Act 1977*, the *Financial Management Standard 1997* and other relevant legislation and prescribed requirements. The Audit Committee's duties include assessing internal audit activity, including its cost-effectiveness; reviewing management action on audit recommendations; and reviewing departmental financial reports.

In 2002-03, an independent chair was appointed to the committee to provide independent advice and leadership. The Audit Committee comprises Tom Fenwick (chairperson and independent member) along with the Deputy Director-General, Chris Robinson; the Chair of the TAFE Queensland Executive, Bob McAulay; the Manager, Community Training Partnerships, Gavin Leckenby; and Michael Schafer, the Director, Audit and Operational Review Branch, Queensland Health as an independent member. The committee is assisted by Paul Shipperley and Stephen Donohue (Queensland Audit Office – observers);

Lynette Lamb (A/Chief Financial Officer, – observer) and Neil Boyd (Director, Internal Audit Unit). The Audit Committee met five times in 2002-03.

During 2002-03 the Audit Committee:

- reviewed the adequacy of the strategic and annual audit plans
- reviewed the quality and timeliness of internal audit reports
- reviewed and evaluated the performance of the internal audit function in relation to the annual audit plan
- provided a forum for discussion of matters raised by the Queensland Audit Office
- reviewed the performance of areas that have taken action on recommendations by the internal auditors or the Queensland Audit Office
- provided a forum for reviewing technical and/or operational issues relating to the finalisation of annual financial statements.

Management Standards

Code of Conduct

The department's Code of Conduct was introduced in January 1997 to meet the requirements of the *Public Sector Ethics Act 1994*. The code is reviewed and updated on a regular basis to keep pace with government and departmental policy.

As part of its corruption prevention program and the government's integrity framework, the department established an ethics awareness strategy with a focus on raising awareness of public sector ethics, including the department's Code of Conduct, through a sustained program of education, training and communication. The department's *Ethics at Work* strategy incorporates changes to human resource recruitment and performance development processes, promotional activities, and the delivery of ethics-related learning programs, particularly aimed at managers. Programs have been delivered throughout the state for five of the six regional areas and to managers in three institutes.

New employees receive information about the Code of Conduct during their induction into the department. A self-paced learning program is also available for managers and supervisors on the department's Intranet to support their induction. A summary of the Code of Conduct is sent to all employees annually and departmental employees and members of the public can access the Code of Conduct on the Internet

Accountability Framework

Organisational Performance - Strategic, Business and Operational Planning

The department's strategic plan outlines the direction, key outcomes and strategies for the department as a whole. It provides a framework for the department's planning, priority setting, policy, decision-making and performance management. A TAFE Queensland strategic plan links with the department's strategic plan.

Management Team (continued)

Rod Arthur

**Director, Open Learning Institute of TAFE
Director, TAFE Queensland Centre for
Innovation and Development
Chief Information Officer, Department
of Employment and Training**

Rod Arthur has more than 25 years experience across the secondary and vocational education and training sectors, including several senior leadership roles for TAFE Queensland and the department.

Rod currently performs a dual role as Director of the Open Learning Institute of TAFE, a flexible and distance education provider, and Director of the TAFE Queensland Centre for Innovation and Development. In addition to this, Rod has recently been assigned the role of the Queensland Department of Employment and Training's Chief Information Officer.

Mike Fishpool

**Director, Strategic Communications
and Marketing**

Mike Fishpool is responsible for the oversight and direction of the department's communications and marketing activities. Mike is a communications professional with more than 35 years experience in both the public and private sectors.

Mike has held a number of senior positions including editor of two newspapers and chief-of-staff of another, press secretary, and Director of Public Relations of the Commonwealth Department of Employment and Youth Affairs.



Tia tops the fashion stakes

Tia Carrigan (left) won the Jeans for Genes 2002 People's Choice Award for her creation of original jeans to support the Children's Medical Research Foundation. Tia is a student at Queensland's leading fashion training provider, Moreton Institute of TAFE. A graduate from the institute, Gina Kim, won the Supreme Award at the Retailers Association of Queensland Fashion Design Awards in 2002. Moreton fashion students participated in Beef Expo 2003 by designing innovative leather creations.

Business plans for each of the department's divisions and business units cascade from the strategic plan, as do performance and achievement plans developed for each institute and each senior executive service officer.

In 2002-03, the department's strategic plan was reviewed after mapping of accountabilities identified gaps in the 2002-06 plan. Through a collaborative process, the department's executives refined the vision and strategic intent, developed objectives and identified strategies to achieve them. A mid-plan review will be introduced in December 2003 to monitor performance.

Organisational Performance - Performance Monitoring and Review

In order to manage and monitor performance within the department's Performance Management Framework a Balanced Scorecard approach has been adopted. The departmental scorecard:

- promotes a more 'balanced' approach to planning and management by providing both financial and non-financial indicators
- provides a simple, concise message about performance priorities yet includes a comprehensive range of indicators to support evidence based decision making
- assists with monitoring the implementation of the department's strategic plan through including the performance indicators identified in the plan.

Monthly performance reports are provided to the Executive Team to enable monitoring of performance indicators against the key success indicators, within the Balanced Scorecard format.

Organisational Performance - Risk Management

In 2002-03, the risk management team continued to implement strategies which will integrate risk management into all levels and aspects of planning in the department.

Key achievements:

- The implementation of the department's Risk Management Framework has provided a systematic, consistent, department-wide focus on risk management practices in decision making. The risk management team have been consulted for advice and information which has addressed cost, quality and financial performance of major projects.
- The review and update of business continuity planning identified and assessed risk that could disrupt departmental services and functions, and will help to ensure that critical services and functions continue during a disaster recovery period.
- Specific risk analysis tools have been developed and used in assisting teams identify, analyse and treat risks to their business. They have been adopted throughout the department as a means of providing a holistic integrated approach to managing all key risks, many of which are organisation-wide.

Financial Performance – Financial Monitoring and Review

The department's financial management, monitoring and review were strengthened in 2002-03 through consolidation of financial activity into a Business Management group led by the newly-created position of Chief Financial Officer. Creation of this group resulted in:

- development of financial management strategies aligned with departmental strategies and government priorities
- more sophisticated financial reporting integrated with performance reporting through the Balanced Scorecard framework
- a higher profile for financial management within the organisation
- a more coordinated approach to financial reporting.

Financial reporting was increasingly linked with performance reporting through the Balanced Scorecard framework, allowing the department to monitor and review financial data and develop financial strategies in the context of total performance. This holistic approach improved the department's capacity to accurately forecast and manage revenue and expenditure based on lead and lag indicators such as staffing numbers and demand for services.

These initiatives improved financial performance, monitoring and review, while ensuring the department complied with Queensland Government principles and policies for financial administration and audit provided in the *Financial Management Standard 1997* and the *Financial Administration and Audit Act 1977*.

Internal Audit

The Internal Audit Unit undertakes independent objective assurance and consulting activities designed to add value and improve the department's operations. It operates in accordance with standards issued by the Institute of Internal Auditors.

The unit applies a risk assessment methodology based on AS/NZS 4360:1999 *Risk Assessment Standard* to its planning and audit programs in an effort to identify and minimise organisation risk. Its effort is guided by three internal strategies:

- creating value through auditing
- communication and teamwork
- professionalism in the management of audits, the audit process and audit capability.

The Internal Audit Unit provides advice to the Director-General about the department's effectiveness and efficiency, and advises business unit managers about their operational risks, and the internal control systems designed to mitigate those risks. The unit reports to the audit committee each quarter.



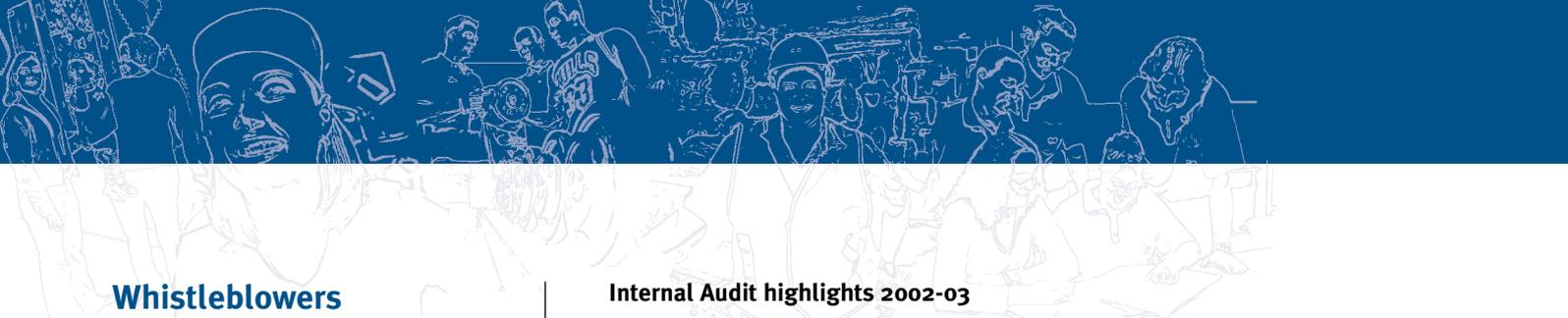
Ryan engineers a great career

Good governance enables the department to maximise use of its resources, to ensure that young people like Gordonvale's Ryan Haslem have the best possible chance to succeed.

After one and a half years at university, Ryan deferred his tertiary studies and enrolled in a TAFE pre-vocational course.

In March 2003, the 24 year old completed an apprenticeship, gaining a Certificate III in Engineering (Mechanical Refrigeration and Air Conditioning) from the Logan Institute of TAFE while working at Cairns-based Haden Refrigeration and Air Conditioning. Last December Ryan was appointed branch supervisor in the company's Thursday Island branch.

His commitment was recognised when he was named North Queensland Apprentice of the Year in the 2003 Queensland Training Awards.



Whistleblowers

In accordance with the *Whistleblowers Protection Act 1994*, the department has a policy to help those wanting to make public interest disclosures. The department is committed to acting on these disclosures and giving people a means of voicing their concerns without fear of recrimination.

The department considers public interest disclosures important because they can identify weaknesses in the system and those areas that need to be improved.

The policy establishes:

- who can make and receive a disclosure
- the form a disclosure should take
- the responsibilities of those who receive the disclosure
- the investigation methods to be used and the provision of special protection for the whistleblower.

The department's public interest disclosure contact officer is responsible for ensuring that allegations of official misconduct or maladministration are dealt with quickly and correctly, either internally or through an appropriate external body such as the Crime and Misconduct Commission. The contact officer coordinates all investigations and ensures that all statutory reporting requirements are met.

During the year, the department received 11 public interest disclosures, which involved suspected official misconduct. In four of these matters, the allegations made in the disclosures were not substantially verified. The remaining seven have not yet been finalised.

Internal Audit highlights 2002-03

In 2002-03, Internal Audit contributed to the organisation by:

- reviewing and monitoring internal controls for financial and non-financial systems and providing advice on risk management and systems improvements
- assessing the department's conformance with required financial legislation, regulations and standards
- reviewing financial reports, including performance information supplied to the accountable officer, executive groups and committees
- maintaining a consultative relationship with external audit.

Performance objective	Performance result
Effective preparation and completion of the audit program	91 per cent of the audit program completed Billable hours targets met

Internal Audit continued to attract and retain qualified, professional staff by:

- ensuring the unit incorporated modern methodologies and techniques
- offering opportunities that allowed staff to gain experience in various types of audits.

Performance objective	Performance result
Develop staff skills	Performance appraisal and development program implemented. Two-and-one-half per cent of salaries allocated to professional development
Maintain professional qualifications and best practice	All auditors hold tertiary qualifications with skills including accounting, administration, business, commerce, information technology and logistics. Staff actively involved in professional associations such as the Institute of Internal Auditors, Australian Society of Certified Practising Accountants and Information Systems Auditing and Control Association. Audit continues to lead the sector-wide audit benchmarking project.



Appendices

Traineeship makes Crystal's career clear

Mackay's Crystal Gill is off to a good start for a career in information technology, having completed a Certificate II in Information Technology. Crystal worked at Andergrove State School and received training from Axial Training during her traineeship.

Crystal has continued working as an IT assistant and teacher's aide at the school after finishing her traineeship. She plans to undertake a Certificate III in Information Technology and follow that qualification with a degree in information technology and business management.

In 2002-03, the department invested approximately \$48.8 million in information and communication technologies training, including traineeships.





APPENDICES

Appendix One – Glossary of terms used in this report

Agricultural colleges: statutory authorities established by the Queensland Government to provide vocational education and training specifically for rural and regional industries and communities.

Arts Queensland: the Queensland Government agency responsible for furthering creative industries.

Australian Quality Training Framework (AQTF): the quality system that outlines national standards for registered training organisations and state and territory registering and course accrediting bodies.

Australian National Training Authority (ANTA): the Commonwealth statutory authority responsible for oversight of the national vocational education and training system.

Aviation Australia: the centre of excellence established by the Queensland Government in 2001 to provide skills development for the aviation and aerospace industries.

Breaking the Unemployment Cycle initiative: the Queensland Government's suite of labour market programs.

Back to Work Program: a program that assists job seekers over 45 years of age (who have been unemployed for at least three months) to undertake job search training and introductory information technology training to increase their chances of securing employment.

Cape York Training and Employment Strategy: a coordinated interagency approach to the provision of vocational education and training services to Indigenous people living in the Cape York area.

Central Queensland Training and Employment Strategy: a comprehensive, coordinated response to enable communities of Central Queensland and other regions to take advantage of opportunities associated with growth in the light metals industry.

Corporate Solutions Queensland: a shared service provider to be hosted by the department from 1 July 2003, which will provide corporate services for 11 Queensland Government agencies.

Direct grant: government funding to public training providers for the provision of local, regional and state training priorities.

Education and Training Reforms for the Future: a package of major changes to the education system announced by the Queensland Government in 2002, including more flexible options for 15 to 17 year olds.

Education Queensland: the Queensland Government department responsible for delivering state schooling, administering funding for non-state schooling, and overseeing higher education.

Experience Pays Program – a three-year program introduced on 1 July 2001 that seeks to boost the job opportunities of long-term mature-aged job seekers through provision of a wage subsidy to industry to employ job seekers aged 45 years and over for a period of twelve months.

GENERATE youth website: a website managed by the department to facilitate young people's participation in government and community decision-making. The web address is www.generate.qld.gov.au

Group training organisations: companies that employ apprentices and trainees and place them with one or more host employers.

Industry training advisory bodies: organisations providing advice to the government on the training needs for specific industries.

Labour force: the total number of persons who declare themselves to be either employed or unemployed.

Long-term unemployed: people unemployed (and actively seeking work) for more than 52 weeks.

Manufacturing Training and Employment Strategy: the department's response to the *Making Queensland's Future – A Manufacturing Development Plan* to address the training and skills development needs of the manufacturing industry and identified manufacturing sub-sectors.

New apprenticeships centres: organisations funded by the Commonwealth Government to help employers recruit apprentices and trainees.

Public-private partnership: a mutually beneficial partnership between the public and private sectors aimed at achieving value for money and the provision of services that would otherwise be wholly funded by the public sector.

Queensland Studies Authority: the statutory authority responsible for developing and assessing school syllabuses, assessing and testing school students, issuing school qualifications and managing tertiary entrance procedures.

Queensland Training Awards: a program to recognise achievement by students, employers and training organisations, co-hosted by the department and the Training and Employment Board. State winners go on to contest the Australian Training Awards.

Queensland Training and Employment Priorities: the department's plan documenting priorities for training funding and delivery for 2003-04.

Registered training organisation: an organisation registered to deliver nationally accredited vocational education and training.



School-based apprenticeships and traineeships: pathways for year 11 and 12 students combining senior studies, vocational education and training, and employment.

Smart State strategy: the Queensland Government's strategy for economic and social development based on bringing together government and industry to provide new jobs, opportunities and skills for Queenslanders in new and growing industries.

Strategic Priority Purchasing Program: funding allocated to areas of skill shortage and employment growth to achieve the greatest public benefit.

TAFE Queensland institutes: the 15 public training providers established by government to provide vocational education and training which is accessible to all Queenslanders.

Three Frames: the management process used by the department, promoting effective relationships, monitoring and measuring of performance, and alignment of individual and organisational activities.

Training and Employment Board: an independent body, comprising employer, union and community representatives, that provides strategic advice to the Minister for Employment, Training and Youth.

Training Recognition Council: the body responsible for registering and regulating registered training organisations and apprenticeships and traineeships in Queensland.

User Choice: the program used to fund apprenticeship and traineeship training, allowing employers and students to choose a contracted registered training organisation that meets their needs.

Worker Assistance Program: an early intervention program to assist workers displaced, or about to be displaced, through large-scale or regional retrenchments.

Appendix Two – Legislation, statutory authorities and entities and controlled by the department

The department administers the following legislation and subordinate legislation on behalf of the Queensland Government:

- *Agricultural Colleges Act 1994*
- *Training and Employment Act 2000*
 - *Training and Employment Regulation 2000*
 - *Vocational Education, Training and Employment Regulation 1991*

Boards, councils and entities controlled by the department

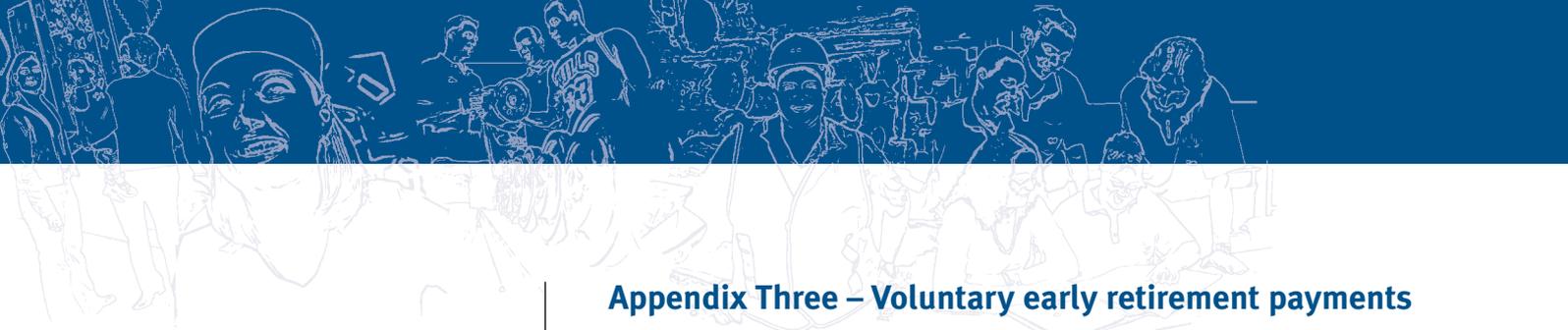
Name of Entity	Function	Financial Reporting Arrangement
State Youth Advisory Council	The Council advises the Minister on issues relating to the participation and concerns of Queensland youth in the government decision making process.	Financial information for this entity has been incorporated into the financial statements of this report.
TAFE Queensland Board	The Board is responsible for TAFE activities which government has mandated to be conducted at a statewide level. In addition, the Board provides an opportunity for Institutes to develop collective strategy and policy, to undertake cooperative activities to achieve economies of scale and best use of expertise to ensure quality and consistency of service, and to undertake benchmarking of performance and standards.	Financial information for this entity has been incorporated into the financial statements of this report.
TAFE Queensland institute councils (15)¹	A TAFE institute council has the following functions— (a) to support vocational education and training through the institute; (b) to advise and report on the activities of the institute to— (i) the Minister; (ii) the board; (iii) the institute director; and (c) to develop and approve institute directions.	Financial information for this entity has been incorporated into the financial statements of this report.
Aviation Australia Pty Ltd	Aviation Australia Pty Ltd is the aviation and aerospace training centre of excellence established by the department and the Department of State Development to honour the Government's election commitment to the industry made in its 2001 election policy, <i>Queensland Takes Off</i> . Aviation Australia will provide training for the skilled aviation workforce necessary to support the continued growth of the aviation and aerospace industry in Queensland.	Financial information for this entity has been incorporated into the financial statements of this report.

¹ There are 15 institute councils, representing all the TAFE institutes across Queensland. A list of all TAFE institutes is provided at Appendix Ten.

Schedule of statutory authorities and instrumentalities controlled by the Minister for Employment, Training and Youth

Name	Function	Constituting Act	Financial Reporting Arrangement
Training and Employment Board	<p>The board provides strategic advice to the Minister on vocational education and training issues and strategies and employment issues and strategies that relate to vocational education and training. Such issues include:</p> <ul style="list-style-type: none"> • registering and regulating training organisations, training contracts and vocational placement agreements; • declarations of apprenticeships or traineeships; • declaring a calling to be a restricted calling; • deciding probationary periods; • declaring an employer to be a prohibited employer; • accrediting and regulating courses; • issuing qualifications or statements of attainment; • recognising vocational placement schemes; • recognising industry training advisory bodies; • recognising group training organisations and • effective and equitable operation and regulation of vocational education and training. 	<i>Training and Employment Act 2000</i>	Included in the financial statements of this report
Training Recognition Council	The Training Recognition Council provides advice to the Training and Employment Board on activities such as registration of training organisations, apprentices and trainees.	<i>Training and Employment Act 2000</i>	Included in the financial statements of this report
Apprenticeship Training and Employment Ombudsman	The Apprenticeship and Traineeship Ombudsman was established to help apprentices, trainees and their employers plus any other people involved in Queensland's apprenticeship and traineeship system, resolve issues relating to vocational education and training.	<i>Training and Employment Act 2000</i>	Included in the financial statements of this report

Name	Function	Constituting Act	Financial Reporting Arrangement
Australian College of Tropical Agriculture Board	<p>Each of the four agricultural boards acts as a governing body for the colleges. Functions of each of the boards include:</p> <p>(a) establishing and reviewing the college's strategic direction;</p> <p>(b) developing and implementing strategic plans and business plans for the college;</p>	<i>Agricultural Colleges Act 1994</i>	Separate report to parliament
Dalby Agricultural College Board	<p>(c) deciding policy for achieving the college's main business purpose, and for other college purposes;</p> <p>(d) ensuring the college develops and implements appropriate risk management strategies;</p> <p>(e) ensuring the college board complies with applicable financial accountability requirements;</p> <p>(f) ensuring the college complies with national and State quality standards and audit requirements for registered training organisations;</p>	<i>Agricultural Colleges Act 1994</i>	Separate report to parliament
Emerald Agricultural College Board	<p>(g) ensuring the college provides access to training for Aboriginal people, Torres Strait Islanders and others with particular needs at a level that reflects the composition of the community the college serves;</p> <p>(h) ensuring appropriate pastoral care is available for students;</p> <p>(i) developing and implementing appropriate strategies to help students make the transition from an educational environment to the workplace;</p>	<i>Agricultural Colleges Act 1994</i>	Separate report to parliament
Longreach Pastoral College Board	<p>(j) maintaining the industry links necessary for achieving support from industry for the college's activities;</p> <p>(k) encouraging opportunities for growth in the college's training market, including opportunities outside Australia; and</p> <p>(l) monitoring the performance of the director and the college.</p>	<i>Agricultural Colleges Act 1994</i>	Separate report to parliament



Appendix Three – Voluntary early retirement payments

In 2002-03, 71 voluntary early retirement packages were accepted by departmental staff, with a total of \$5,641,289.83 being expended by the department for incentive payments, severance payments and payments for outstanding entitlements.

Appendix Four – Freedom of information procedures

If you have been unable to obtain access to information requested through your normal contact with the department, you may wish to seek access to documents that contain the information through an application under the *Freedom of Information Act 1992*. Applications can be lodged with:

FOI Coordinator

Department of Employment and Training
Level 5, Block B, Neville Bonner Building
75 William Street, BRISBANE QLD 4000
GPO Box 69, BRISBANE QLD 4001
ph (07)3227 6220 fx (07)3225 2076

Your application must be in writing, preferably on the FOI Application Form, which is available from the FOI Unit or any TAFE institute of the department. If the application is in respect of documents that do not relate to your personal affairs, it should be accompanied by an application fee.

Your application should:

- identify the information of document you are seeking
- provide as much information as possible about the document you wish to see
- identify in what area of the department you believe the document you are seeking is held
- indicate the type of access you are seeking, i.e. inspection of the document or a copy of the document.

Application Fee and Charges

Applications relating to your personal affairs are free of charge. Applications of a non-personal nature will cost \$32.50 to process. Non-personal applications that take longer than two hours to process will incur a processing charge of \$20.00 per hour.

Correction of personal information

If you have access to a document that contains information concerning your personal affairs that is inaccurate, incomplete, out-of-date or misleading, you can apply in writing to have the information amended or corrected.

Your application should specify:

- what particulars you wish amended
- why you believe the information to be incomplete, incorrect, out-of-date or misleading

- the amendments you wish to make
- your address and telephone number so you can be advised of the result of your application.

A form is available from the FOI Coordinator for this purpose.

For further information refer to www.justice.qld.gov.au/dept/foi.htm.

Records Retention

Personal and Financial records are retained in accordance with the Queensland State Archives General Disposal and Retention Schedule for Administrative Records. All other records are retained in accordance with departmental procedural guidelines approved by the Queensland State Archives.

Appendix Five – Compliance with the Queensland Government Privacy Policy

The department is committed to protecting the personal information of our staff and clients and is on target to implement the Government's Information Standard 42 – Information Privacy (IS 42) by September 2003. The department developed and launched its own privacy plan in May 2002 to address the 11 information privacy principles contained in IS42.

Under IS 42, personal information held by the department must be responsibly and transparently collected and managed (including any transfer or sale of personal information held by the department to other agencies, other levels of Government or the private sector) in accordance with the requirements of the 11 information privacy principles.

Personal information is information or an opinion, whether true or not, that can identify a particular person. Examples of personal information include name, address, age, payroll number, education standards/qualifications, physical characteristics, employment history, financial status, license number, religion, health information and relationship details.

If you believe the department has breached the protection of your personal information you may complain to the Departmental Privacy Officer who is responsible for managing all privacy complaints for the department.

Complaints (marked private and confidential) can be emailed to privacy4det@det.qld.gov.au or mailed to:

Departmental Privacy Officer

Department of Employment and Training
GPO Box 69
BRISBANE QLD 4001

For further information, visit our website
www.det.qld.gov.au/about_us/site_utilities/privacy/index.htm



Records retention

Personal and financial records are retained in accordance with the Queensland State Archives General Disposal and Retention Schedule for Administrative Records. All other records are retained in accordance with departmental procedural guidelines approved by the Queensland State Archives.

Appendix Six – Waste management

The department is committed to delivering on the Queensland Government's priority of valuing the environment through the responsible use of the state's natural capital and primary resources, energy management, and waste minimisation and containment.

The department has developed a Waste Management Strategic Plan 2002-06 that provides a strategic framework for developing waste management practices aligned to environmental protection legislation and policy.

A proposed audit template has been prepared to assist TAFE institutes to develop initiatives in each priority area that will ensure that the department effectively minimises or avoids any adverse impacts upon the environment from its operations while continuing to maximise the opportunities in achieving its goal of delivering vocational, education and employment services for Queenslanders.

During the year the department spent \$803,498 (excl. GST) on waste disposal.

Appendix Seven – Energy management

The department is responsible for the planning, managing, monitoring and reporting of the vocational education and training infrastructure program. These roles and responsibilities are carried out in a decision context by balancing such issues as sustainable development and energy management, against building design solutions, funding allocations and government outcomes.

Over the past 12 months the department has moved firmly behind the principles of life cycle costing and evaluation. The department has recognised the need to extrapolate these principles beyond energy consumption in operation to greenhouse overheads in the construction and disposal of assets, and the potential to recycle materials.

Where possible, the department is continuing to facilitate the continuation of pilot projects in TAFE Queensland institutes in the areas of natural lighting, air-conditioning plant options, natural shading, displacement ventilation systems and thermal comfort. The department is continuing to field enquiries about the geothermal air conditioning pilot project now running successfully at the Logan Institute of TAFE for five years.

During the year the department spent \$7,573,443 (excl. GST) on fuel/oil and electricity.

Appendix Eight – Consultancy expenditure

Expenditure on consultancies by the department during 2002-03 totalled \$2,159,662.70. A breakdown of costs per each consultancy category is given below:

Category	Expenditure
Communications	\$133,304.12
Management	\$237,385.77
Human Resource Management	Nil
Information Technology	\$55,098.25
Finance/accounting	\$713,555.50
Professional/technical	\$1,020,319.06
TOTAL	\$2,159,662.70

Appendix Nine – Overseas travel

In 2002-03, travel costs for departmental officers totalled \$662,373, with \$614,173 funded by external sources, such as fee-for-service activities and revenue raised from commercial activities. The Director-General and Minister approved all overseas travel made by departmental officers.

Officer Name	Position	Destination	Reason for Travel	Agency Cost	Contribution from other agencies/sources
Steve Fisher	Manager, BNIT	UK & USA	To undertake an internship and study on an ANTA Flexible Learning Leader scholarship on behalf of the institute and TAFE Queensland.	Nil	\$23,954
Steve Fisher	Manager, BNIT	USA	To undertake an internship and study on an ANTA Flexible Learning Leader scholarship on behalf of the Institute and TAFE Queensland.	Nil	\$10,487
Shad Ali	Teacher, BNIT	China	To teach content-specific programs as part of the Shanghai Second Polytechnic University Project.	Nil	\$5,425
Shad Ali	Teacher, BNIT	China	To teach content-specific programs as part of the Shanghai Second Polytechnic University Project.	Nil	\$5,406
Barry Hayes	Teacher, BNIT	China	To teach content-specific programs as part of the Shanghai Second Polytechnic University Project.	Nil	\$4,956
Paul Prior	Teacher, BNIT	Nauru	To deliver an AusAID funded in-country training project in Wiring and Re-Wiring Domestic Residences to AUS3000 Standards.	Nil	\$12,030
Peter Gamble	Teacher, BNIT	China	To teach Information Technology as part of the Shanghai Second Polytechnic University Project.	Nil	\$5,074
Helen Martyn	Manager, BREMER	New Zealand	To undertake a study visit to the University of Waikato and meet with, Nola Campbell (mentor) as part of her National ANTA Flexible Learning Leaders Scholarship.	Nil	\$3,048
Anne Cole	Consultant, BRIT	Korea and Japan	To promote Diversional Therapy training and identify potential markets and collaboration partners throughout South East Asia, by participating in the Ehime International Welfare Exhibition 2002 and meetings with Aged Care Authorities.	Nil	\$6,061
Carol Webb	Institute Director, BRIT	Korea and Japan	To promote Diversional Therapy training and identify potential markets and collaboration partners throughout South East Asia, by participating in the Ehime International Welfare Exhibition 2002 and meetings with Aged Care Authorities.	Nil	\$5,733
Jeanne Dawes	Teacher, BRIT	China	To teach content-specific programs as part of the Shanghai Second Polytechnic University Project.	Nil	\$10,965
Julie Woodlock	Teacher, BRIT	China	To undertake professional development for the Flexible Learning Leader scholarship.	Nil	\$7,414

Officer Name	Position	Destination	Reason for Travel	Agency Cost	Contribution from other agencies/sources
Leura Cathcart	Director, CID	USA	To attend the XML World 2002 international conference and undertake research and study as part of the Flexible Learning Leaders fellowship.	Nil	\$21,020
Frank Vardanega	General Manager, CCD	USA	To participate in the USA Benchmarking Study Tour.	\$21,936	Nil
Bill Fry	Institute Director, CQIT	Indonesia	To participate in negotiations for the establishment of the Balikpapan Polytechnic College and attend the opening of the PT Thiess Centre.	Nil	\$5,570
Bob Boardman	Contractor, CQIT	Papua New Guinea	To conduct training and assessment services in Certificate IV in Engineering (Higher Engineering Trade) with RAMU Sugar Limited.	Nil	\$8,043
Neil Barker	Assistant General Manager, CQIT	China	To expand the program in Shanghai to include Diplomas of Engineering as well as conducting other business for TAFE Queensland.	Nil	\$6,946
Tim Wade	Teacher, CQIT	China	To undertake industry release in a five-star establishment with a focus on Asian Cookery (professional development).	Nil	Nil
William Lim	Teacher, CQIT	China	To teach content-specific programs as part of the Shanghai Second Polytechnic University Project.	Nil	\$11,190
Zaiga Stephenson	Teacher, CQIT	China	To teach content-specific programs as part of the Shanghai Second Polytechnic University Project.	Nil	\$10,255
Douglas Wells	Teacher, CSIT	Samoa and Tonga	To undertake a review of the Pacific Fellowship Program for the RE Ross Trust of Melbourne.	Nil	\$7,235
Elizabeth Woods	Teacher, CSIT	France and Spain	To attend Chemin d'Art Saint Flour 2002 and visit the Lascaux cave paintings, museums and galleries for professional development.	Nil	Nil
Kathryn Gray	Teacher, CSIT	Samoa	To deliver training in Selling and Service and Developing Marketing Skills for AusAID.	Nil	\$8,060
Kevin Hutton	Teacher, CSIT	China	To teach content-specific programs as part of the Shanghai Second Polytechnic University Project.	Nil	\$6,769
Kevin Jacobson	Teacher, CSIT	Nauru	To deliver an AusAID funded in-country training project in Fruit Trees Nursery and Vegetable Growing.	Nil	\$10,560
Lindy Chan	Teacher, CSIT	China	To teach content-specific programs as part of the Shanghai Second Polytechnic University Project.	Nil	\$10,167
Margaret Lipscombe	Manager, CSIT	Sweden and UK	To market TAFE Queensland programs to local agents.	Nil	\$13,413
Menime Hutton	Educational Administrator, CSIT	Nauru	To deliver AusAID funded Nursing Skills Training in Emergency Obstetrics.	Nil	\$4,950
Tancie Thompson	Manager, CSIT	Samoa, Tonga and Vanuatu	To undertake a review of the Pacific Fellowship Program for the RE Ross Trust of Melbourne.	Nil	\$7,235



Officer Name	Position	Destination	Reason for Travel	Agency Cost	Contribution from other agencies/sources
Tancie Thompson	Manager, CSIT	Fiji	To deliver a workshop in Skills Development in Articulating Identified Training Needs for AusAID.	Nil	\$11,592
Wayne Bradley	Institute Director, CSIT	Vanuatu	To undertake a review of the Pacific Fellowship Program for the RE Ross Trust of Melbourne.	Nil	\$7,235
Ken Smith	Director-General, DET	China, Vietnam and Singapore	To deliver a paper on "Vocational Education and Training Management" at the Queensland-Jiangsu Educational Forum and to support additional business development activities with TAFE Queensland in Shanghai, Vietnam and Singapore.	\$9,291	Nil
Ken Smith	Director-General, DET	New Zealand	To attend the Ministerial Council on Education, Employment, Training and Youth Affairs meeting and to visit relevant vocational education and training sites related to at risk young people.	\$4,344	Nil
Alison Taylor	Teacher, GCIT	China	To teach content-specific programs as part of the Shanghai Second Polytechnic University Project.	Nil	\$8,385
Richard Reis	Manager, GCIT	Brazil	To visit agents and schools, organising seminars in three major cities (Sao Paulo, Curitiba & Porto Alegre) with the assistance of Student Travel Bureau, Brazil's largest educational tour operator, and meeting with key stakeholders in Sao Paulo (Austrade/IDP).	Nil	\$6,440
Richard Reis	Manager, GCIT	Hong Kong and Korea	To establish and develop business contacts for TAFE Queensland and the Gold Coast Institute of TAFE.	Nil	\$6,451
Richard Reis	Manager, GCIT	New Caledonia	To visit current educational agents, consolidating existing business relationships with local schools and organising seminars to potential students.	Nil	\$4,216
Richard Reis	Manager, GCIT	Brazil	To visit current and prospective educational agents, attend Fair Expo Belta, organising seminars in 3 major cities and meeting with key stakeholders in Sao Paulo.	Nil	\$13,126
Ross Martin	International Sales, GCIT	Japan	To participate in the Queensland Education and Training Regional Roadshow and market GCIT products and services to students and to agents.	Nil	\$10,907
Ross Martin	International Sales, GCIT	Hong Kong	To participate with key agent in the Careers and Education Exhibition and interview potential students.	Nil	\$9,532
Ross Martin	International Sales, GCIT	Hong Kong	To participate in a two-day interview program to select students for a combined ELICOS/formal course to be offered July/August 2003.	Nil	\$10 795
Wayne Tierney	Teacher, LIT	Papua New Guinea	To deliver AutoCAD training to Ok Tedi Mining staff.	Nil	\$14,377
Robert McAulay	Institute Director, MIT	Germany	To participate in the VET Delegation visit to Germany and to research VET and market TAFE Queensland in the UK.	Nil	\$13,022

Officer Name	Position	Destination	Reason for Travel	Agency Cost	Contribution from other agencies/sources
Bryan Iles	Manager, OLI	China	To officiate at the Graduation Ceremony for the students of the Nanjing Polytechnic College-Open Learning Institute cooperative Program and to investigate program expansion opportunities.	Nil	\$8,395
Bryan Iles	Manager, OLI	China	To expand the program in Shanghai to include Diplomas of Engineering as well as conducting other business for TAFE Queensland.	Nil	\$8,942
Bryan Iles	Manager OLI	China	To officiate at the Graduation Ceremony for students who have completed their diploma course through the Open Learning Institute.	Nil	\$7,176
Bryan Iles	Manager, OLI	China	To finalise agreements and investigate new opportunities.	Nil	\$12,464
Don Mackay	Principal Teacher, OLI	Singapore	To conduct a three-day course in Sewage and Wastewater for Tick 3 Pty Ltd.	Nil	\$3,275
Don Mackay	Principal Teacher, OLI	Singapore	To conduct courses in Sewage and Wastewater for Tick 3 Pte Ltd, Singapore.	Nil	\$3,275
Fred Hong	Manager, OLI	China	To participate in a series of business meetings and marketing activities.	Nil	\$6,500
Gerry Corcoran	Teacher, OLI	Papua New Guinea	To implement recommendations of the Training Needs Analysis conducted by the Open Learning Institute for the Papua New Guinea Industry Vocational Education and Training Association.	Nil	\$3,018
Jack Fricker	Teacher, OLI	China	To teach content-specific programs as part of the Shanghai Second Polytechnic University Project.	Nil	\$5,931
Jack Harris	Tutor, OLI	Papua New Guinea	To assess participants completing the Certificate IV in Workplace Assessor and Training.	Nil	\$2,224
John Arundel	Teacher, OLI	China	To teach content-specific programs as part of the Shanghai Second Polytechnic University Project.	Nil	\$10,175
John Blakeley	Director, OLI	Canada, USA, Germany and UK	To undertake professional development.	Nil	\$22,204
Lee Durkin	Teacher, OLI	Papua New Guinea	To implement recommendations of the Training Needs Analysis conducted by the Open Learning Institute for the Papua New Guinea Industry Vocational Education and Training Association.	Nil	\$3,018
Paula Jonauskis	Project Officer, OLI	New Zealand	To prepare and present a joint proposal to supply a student management system for distance delivery.	Nil	\$1,168
Rod Arthur	Institute Director, OLI	China	To officiate at the Graduation Ceremony for the students of the Nanjing Polytechnic College-Open Learning Institute cooperative Program and to investigate program expansion opportunities.	Nil	\$6,486
Rosalind Gilroy	Director, OLI	New Zealand	To prepare and present a joint proposal to supply a student management system for distance delivery.	Nil	\$1,845



Officer Name	Position	Destination	Reason for Travel	Agency Cost	Contribution from other agencies/sources
Rosalind Gilroy	Director, OLI	New Zealand	To prepare and present a joint proposal to supply a student management system for distance delivery.	Nil	\$1,168
Roy O'Malley	Assistant Director, OLI	China	To review the first six weeks of delivery and resolve any issue that may have arisen with the rotational system and maintain the quality of IT delivery in Shanghai and Nanjing - joint Diploma programs in IT	Nil	\$4,408
Andrew Haslem	Executive Officer, OYA	Hong Kong	To participate in the International Award Association Regional Training Workshop.	\$50	Nil
Noela Eddington	Director, P&P	South Africa	To attend the World Summit on Sustainable Development – sessions on sustainable indigenous communities, Indigenous training and education and youth issues.	\$1,641	Nil
Peter Harber	VET Export, P&P	Saudi Arabia	To act as advisor on the community capacity building initiative for the Medina region.	\$6,594	Nil
Richard Meng	TAFE Officer, Queensland Trade and Investment Office, Shanghai	Queensland	To undertake professional development and planning.	Nil	\$2,933
Carla Dagwell	AusAID Liaison Officer, SBIT	Papua New Guinea	To recruit Australian Development Scholarship (ADS) students to study with Southbank Institute of TAFE and TAFE Queensland.	Nil	\$8,581
Carla Dagwell	AusAID Liaison Officer, SBIT	Laos	To attend the Australian Development Scholarship (ADS) Information Sessions and to recruit ADS students to study with Southbank Institute of TAFE and TAFE Queensland.	Nil	\$2,399
Cassandra Dunn	Manager, SBIT	Hong Kong and Korea	To undertake student recruitment, marketing and business development activities on behalf of Southbank Institute and TAFE Queensland.	Nil	\$12,045
David Feachnie	Teacher, SBIT	Saudi Arabia	To facilitate training for Sarawat Supermarkets.	Nil	\$2,813
Dean Sarra	Executive Officer, SBIT	Canada	To represent the Australian Indigenous Training Advisory Council and the Australian National Training Authority at the World Indigenous Peoples Conference on Education.	Nil	\$12,725
Dorothy Smith	Teacher, SBIT	China	To teach content-specific programs as part of the Shanghai Second Polytechnic University Project.	Nil	\$7,057
Jeff Gehrman	Teacher, SBIT	China	To expand the program in Shanghai to include Diplomas of Engineering as well as conducting other business for TAFE Queensland.	Nil	\$6,357

Officer Name	Position	Destination	Reason for Travel	Agency Cost	Contribution from other agencies/sources
Joy Graydon	Teacher, SBIT	China	To teach English, International Business and Information Technology modules; investigate opportunities in vocational training; discuss student visa application process with Australian Embassy; continue discussions with Government of Liaoning Province; assist in the launch of Open Learning Institute.	Nil	\$9,320
Melissa McArdle	Manager, SBIT	Korea, Hong Kong, China and Taiwan	To attend the COEX Study Abroad Fair and undertake marketing and student recruitment activities.	Nil	\$31,150
Norm Jagger	Business Director, SBIT	Indonesia	To meet with the Institute's clients and prospective partners and establish the status of current negotiations as well as to communicate the Institute's intention to continue with its strategic initiatives.	Nil	\$3,986
Ruth Winslow	Teacher, SBIT	China	To teach content-specific programs as part of the Shanghai Second Polytechnic University Project.	Nil	\$11,303
Zea Johnston	A/General Manager, SDP	New Zealand	To attend the Ministerial Council on Education, Employment, Training and Youth Affairs meeting and to visit relevant vocational education and training sites related to at risk young people.	\$4,344	Nil
Mel Dunn	Project Director, TAFE QLD	China, Vietnam and Singapore	To deliver a paper on "Vocational Education and Training Management" at the Queensland-Jiangsu Educational Forum and to support additional business development activities with TAFE Queensland in Shanghai, Vietnam and Singapore.	Nil	\$9,541
Jeanne Dawes	Teacher, TNQIT	China	To teach content-specific programs as part of the Shanghai Second Polytechnic University Project.	Nil	\$11,263
Tracey Turner	Manager, TNQIT	Norfolk Island	To attend a careers market exhibition.	Nil	\$264
Rod Camm	General Manager, TQ&R	Indonesia	To participate in negotiations for the establishment of the Balikpapan Polytechnic and attend the opening of the PT Thiess Centre.	Nil	\$6,227
Ian Ritchie	Teacher, YIT	Republic of Nauru	To deliver an AusAID Nauru in-country training project in Plastering and Tiling Skills.	Nil	\$5,285
Rhonda Ekberg	Teacher, YIT	China	To teach content-specific programs as part of the Shanghai Second Polytechnic University Project.	Nil	\$11,208

BNIT – Brisbane North Institute of TAFE
 BREMER – The Bremer Institute of TAFE
 BRIT – Barrier Reef Institute of TAFE
 CCD – Corporate Capability Development Division
 CID – Centre for Innovation and Development
 CQIT – Central Queensland Institute of TAFE
 CSIT – Coolooloona Sunshine Institute of TAFE
 DET – Department of Employment and Training
 GCIT – Gold Coast Institute of TAFE
 LIT – Logan Institute of TAFE
 MIIT – Mount Isa Institute of TAFE

MIT – Moreton Institute of TAFE
 OLI – Open Learning Institute of TAFE
 OYA – Office of Youth Affairs
 PP – Planning and Purchasing Division
 SBIT – Southbank Institute of TAFE
 SDP – Strategic Directions and Policy Division
 SQIT – Southern Queensland Institute of TAFE
 TNQIT – Tropical North Institute of TAFE
 TQ&R – Training Quality and Regulation Division
 WBIT – Wide Bay Institute of TAFE
 YIT – Yeronga Institute of TAFE



Appendix Ten – Departmental access points

General Enquiries

Service centres

Employment	1300 369 925
Training	1300 369 935
Office of Youth Affairs	1300 555 954 (07) 3224 8451

The department's 1300 telephone numbers allow the public to contact the department for the cost of a local call from anywhere in Queensland.

Departmental access points

Head Office

www.det.qld.gov.au
Lvl 4, Education House
30 Mary St
GPO Box 69
Brisbane Q 4001
phone (07) 3225 2416
fax (07) 323 79774

Employment and Youth Initiatives – Head Office

Lvl 1, Education House
30 Mary St
LMB 527
Brisbane Q 4001
phone 1300 369 925
fax (07) 3225 2011

Training – Head Office

Lvl 5, Education House
30 Mary St
LMB 527
Brisbane Q 4001
phone 1300 369 935
fax (07) 3237 9774

Training and Employment Board

[www.training.qld.gov.au/legislation/
board/index.htm](http://www.training.qld.gov.au/legislation/board/index.htm)
Email: teb@det.qld.gov.au
Lvl 4, Education House
30 Mary St
Brisbane Q 4000
LMB 527
GPO Brisbane Q 4001
phone (07) 3247 5189
fax (07) 3237 1856

TAFE Queensland

Office of the TAFE Queensland Executive

www.tafe.net
Administration Building
Moreton Institute of TAFE
Windemere Road
Alexandra Hills
PO Box 2614
Mansfield 4122
phone (07) 3826 8377
fax (07) 3826 8505

Barrier Reef Institute of TAFE

www.barrierreef.tafe.net
barrier.reef@det.qld.gov.au
Cnr Fulham Rd and Hugh St
Pimlico Q 4812
PMB 1
Townsville Q 4810
phone (07) 4750 5211
fax (07) 4750 5268

The Bremer Institute of TAFE

www.bremer.tafe.net
bundamba.bremer@tafe.net
Mary St
Bundamba Q 4304
PO Box 138
Booval Q 4304
phone (07) 3817 3000
fax (07) 3817 3079

Brisbane North Institute of TAFE

www.bn.tafe.net
776 Kingsford Smith Drive
Eagle Farm
LMB 3
Eagle Farm BC Q 4009
phone 131 248
fax (07) 3259 3160

Central Queensland Institute of TAFE

www.cqit.net
information.cqitr@det.qld.gov.au
Canning St
LMB 8065
Rockhampton Q 4700
phone (07) 4920 2444
fax (07) 4920 2399

Cooloola Sunshine Institute of TAFE

www.csit.tafe.net
Nambour Centre
Windsor Rd
SCMC Box 5252
Nambour Q 4560
phone (07) 5459 3555
fax (07) 5459 3488

Gold Coast Institute of TAFE

www.goldcoast.tafe.net
Cnr Heeb St and Benowa Rd Ashmore
gcit@gcit.qld.edu.au
Customer Service Centre
PO Box 5547
GCMC Bundall Q 9726 (all
correspondence)
phone (07) 5581 8200 (all enquiries)
Fax (07) 5539 3342

Logan Institute of TAFE

www.logan.tafe.net
lit.admin@det.qld.gov.au
50-68 Armstrong Rd
Meadowbrook Q 4131
LMB 4163
Loganholme DC Q 4129
phone (07) 3826 3826
fax (07) 3805 2131

Moreton Institute of TAFE

www.moreton.tafe.net
moreton.info@tafe.net
Customer Service Centre
1030 Cavendish Rd
Mount Gravatt Q 4122
PO Box 2614
Mansfield Q 4122
course enquiries 1300 657 613
phone (07) 3215 1300
fax (07) 3215 1618

Mt Isa Institute of TAFE

www.mtisa.tafe.net
info.mtisa@tafe.net
165-179 Abel Smith Pde
PO Box 1612
Mount Isa Q 4825
phone (07) 4744 9999
fax (07) 4744 9970

Open Learning Institute

www.oli.tafe.net
oli.info@tafe.net
1 Cordelia St
GPO Box 1326
Brisbane Q 4001
phone 1800 657 387
fax (07) 3259 4377

Southbank Institute of TAFE

www.southbank.tafe.net
14 Glenelg St
South Brisbane Q 4101
LMB 14
South Brisbane Q 4101
phone (07) 3244 5000
fax (07) 3244 5123

Southern Queensland Institute of TAFE

www.sqit.tafe.net
100 Bridge St
PO Box 80
Toowoomba Q 4350
phone (07) 4694 1880
fax (07) 4639 4674

Tropical North Queensland Institute of TAFE

www.tnqit.tafe.net
tnqit.info@det.qld.gov.au
Eureka St
PMB 1
Cairns Q 4870
Info Hotline: 1300 656 959
phone (07) 4042 2422
fax (07) 4042 2622

Wide Bay Institute of TAFE

www.widebay.tafe.net
widebay.institute@tafe.net
Nagel St
LMB 279
Maryborough Q 4650
phone (07) 4120 2577
fax (07) 4120 2575

Yeronga Institute of TAFE

www.yeronga.tafe.net
Park Rd and Villa St
Yeronga Q 4104
PO Box 6045
Fairfield Gardens Q 4103
phone (07) 3892 0444
fax (07) 3892 2031

Agricultural colleges

Australian College of Tropical Agriculture

www.acta.qld.edu.au
aginfo@acta.qld.edu.au
Burdekin Campus
PMB 6 MS 54
Ayr Q 4807
phone (07) 4790 6222
fax (07) 4790 6200

Dalby Agricultural College

www.dac.qld.edu.au
training@dac.qld.edu.au
Bunya Hwy
PO Box 398
Dalby Q 4405
phone (07) 4672 3000
fax (07) 4662 4048

Emerald Agricultural College

www.eac.qld.edu.au
eacinfo@eac.qld.edu.au
Capricorn Hwy
PO Box 257
Emerald Q 4720
phone (07) 4982 8777
fax (07) 4982 8710

Longreach Pastoral College

www.lpc.qld.edu.au
admin@lpc.qld.edu.au
Landsborough Hwy
PO Box 470
Longreach Q 4730
phone 1800 004 730
fax (07) 4658 1956

Regional offices

Departmental services are available via regional offices throughout the state.

Employment: 1300 369 925

Training: 1300 369 935

Bundaberg

11 Bourbong St
PO Box 955
Bundaberg Q 4670
phone (07) 4151 9719
fax (07) 4153 1207

Cairns

Ground Flr, State Govt Offices Bldg
10–12 McLeod St
PO Box 2465
Cairns Q 4870
phone (07) 4048 1441
fax (07) 4048 1494

Emerald

Shop 6, Clerana Centre
Cnr Anakie and Clermont Sts
PO Box 1814
Emerald Q 4720
phone (07) 4983 7490
fax (07) 4982 3756

Gladstone

Lvl 2, State Govt Centre
Cnr Roseberry St and Oaka Ln
LMB 15
Gladstone Q 4680
phone (07) 4971 2343
fax (07) 4972 6196

Gold Coast

Lvl 1, 10 Cloyne Rd
LMB 91
Southport Q 4215
phone (07) 5583 5000
fax (07) 5583 5010

Ipswich

New Court House
Cnr East and Limestone Sts
PO Box 226
Ipswich Q 4305
phone (07) 3280 1846
fax (07) 3202 1018

**Logan**

Lvl 1 Wembley Place
91 Wembley Rd
PO Box 829
Woodridge Q 4114
phone (07) 3287 8300
fax (07) 3287 8333

Lutwyche

Lvl 4, Lutwyche Shopping Cntr
543 Lutwyche Rd
PO Box 820
Lutwyche Q 4030
phone (07) 3247 9495
fax (07) 3247 9412

Mackay

Lvl 1, Post Office Square
Cnr Sydney and Gordon Sts
LMB 1
Mackay Q 4740
phone (07) 4967 4467
fax (07) 4967 4498

Maryborough

Lvl 1, 319-325 Kent St
LMB 63
Maryborough Q 4650
phone (07) 4121 1778
fax (07) 4123 1704

Mount Gravatt

Lvl 2, Block C, Garden Square
643 Kessels Rd
PO Box 6500
Upper Mt Gravatt Q 4122
phone (07) 3872 0000
fax (07) 3872 0025

Mount Isa

75 Camooweal St
PO Box 2249
Mount Isa Q 4825
phone (07) 4747 2302
fax (07) 4743 8122

Nambour

Lvl 1, Centenary Square
52-64 Currie St
PO Box 501
Nambour Q 4560
phone (07) 5470 8833
fax (07) 5470 8874

Rockhampton

Lvl 2, State Govt Bldg
209 Bolsover St
LMB 7
Rockhampton Q 4700
phone (07) 4938 4820
fax (07) 4938 4141

Roma

116 McDowall St
PO Box 697
Roma Q 4455
phone (07) 4622 3222
fax (07) 4622 4072

Thursday Island

Alpin Rd
PO Box 341
Thursday Island Q 4875
phone (07) 4069 2420
fax (07) 4069 2438

Toowoomba

Lvl 1, James Cook Cntr
Cnr Herries and Ruthven Sts
PO Box 234
Toowoomba Q 4350
phone (07) 4687 2801
fax (07) 4687 2875

Townsville

254 Ross River Rd
LMB 15
Aitkenvale Q 4814
phone (07) 4760 7900
fax (07) 4760 7970

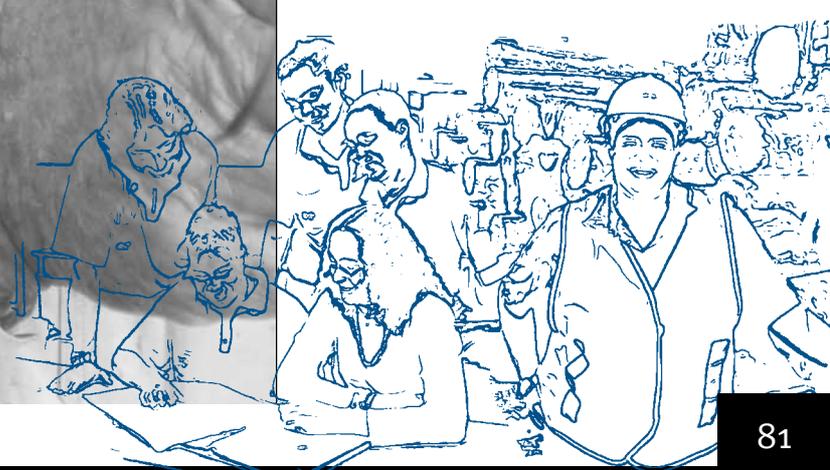


Financial Statements

Joe snaps up skills

Through a Community Training Partnerships project, Conondale farmer Joe Herron learned about aquaculture to diversify in the face of a declining dairy industry.

Effective decision-making, resourcing and planning mechanisms support the Department of Employment and Training in developing innovative responses to the diverse skills and employment needs of Queenslanders.



Department of Employment and Training

STATEMENT OF FINANCIAL PERFORMANCE

For the year ended 30 June 2003	Notes	Consolidated		Parent Entity (Department)	
		2003 \$000	2002 \$000	2003 \$000	2002 \$000
Revenues from ordinary activities					
Output revenue	1	591,179	581,604	591,179	581,604
User charges	2	124,178	109,042	123,559	109,004
Grants and other contributions	3	167,338	160,753	167,338	160,741
Other	4	2,845	2,438	2,760	2,438
Total revenues from ordinary activities		885,540	853,837	884,836	853,787
Expenses from ordinary activities					
Employee expenses	5	421,458	394,545	418,845	392,963
Supplies and services	6	213,492	213,232	213,108	212,596
Equity return expense	7	56,312	53,915	56,312	53,915
Depreciation and amortisation	8	60,817	47,138	60,560	47,060
Grants and subsidies	9	128,096	123,909	134,397	129,730
Other	10	9,010	11,860	8,876	11,833
Total expenses from ordinary activities excluding borrowing costs	8	89,185	844,599	892,098	848,097
Borrowing costs	11	583	579	572	576
Surplus (deficit) from ordinary activities		(4,228)	8,659	(7,834)	5,114
Net surplus (deficit)		(4,228)	8,659	(7,834)	5,114
Non-Owner transaction changes in equity					
Net increase in asset revaluation reserve	23	21,669	54,309	21,669	54,309
Net amount of each revenue, expense, valuation or other adjustment not disclosed above recognised as a direct adjustment to equity	23	(2,167)	-	(2,167)	-
	23	(1,158)	-	(1,158)	-
Total revenues, expenses and valuation adjustments recognised directly in equity		18,344	54,309	18,344	54,309
Total changes in equity other than those resulting from transactions with owners as owners	23	14,116	62,968	10,510	59,423

The accompanying notes form part of these statements.

Department of Employment and Training

STATEMENT OF FINANCIAL POSITION

At 30 June 2003	Notes	Consolidated		Parent Entity (Department)	
		2003 \$000	2002 \$000	2003 \$000	2002 \$000
Current assets					
Cash assets	12	27,830	28,601	26,706	26,487
Receivables	13	23,594	23,680	23,265	23,602
Inventories	14	990	1,059	990	1,059
Property plant and equipment	18	16,977	11,097	16,977	11,097
Other	15	5,301	6,180	6,112	6,129
Total current assets		74,692	70,617	74,050	68,374
Non-current assets					
Receivables	13	3,735	288	3,735	288
Other financial assets	16	-	2	-	2
Intangibles	17	38,030	24,930	38,030	24,736
Property, plant and equipment	18	935,209	937,864	927,977	936,421
Total non-current assets		976,974	963,084	969,742	961,447
Total assets		1,051,666	1,033,701	1,043,792	1,029,821
Current liabilities					
Payables	19	24,409	18,111	23,967	17,956
Interest-bearing liabilities	20	4,865	3,678	4,820	3,648
Provisions	21	37,621	32,829	37,508	32,789
Other	22	16,575	23,609	16,575	23,609
Total current liabilities		83,470	78,227	82,870	78,002
Non-current liabilities					
Interest-bearing liabilities	20	9,728	4,882	9,620	4,778
Provisions	21	4,135	272	4,120	266
Other	22	69	27	69	27
Total non-current liabilities		13,932	5,181	13,809	5,071
Total liabilities		97,402	83,408	96,679	83,073
Net assets (liabilities)		954,264	950,293	947,113	946,748
Equity					
Contributed equity	23	61,882	72,027	61,882	72,027
Retained surpluses		755,872	763,425	748,721	759,880
Reserves:					
Asset revaluation reserve		136,510	114,841	136,510	114,841
Total equity		954,264	950,293	947,113	946,748

The accompanying notes form part of these statements.

Department of Employment and Training

STATEMENT OF CASH FLOWS

For year ended 30 June 2003	Notes	Consolidated		Parent Entity (Department)	
		2003 \$000	2002 \$000	2003 \$000	2002 \$000
Cash flows from operating activities					
Inflows:					
Output receipts		584,331	591,978	584,331	591,978
User charges		126,923	115,975	127,150	115,960
Grants and other contributions		167,247	158,316	167,247	158,316
GST input tax credits		26,696	28,146	25,933	28,146
Interest receipts		1,505	1,177	1,476	1,177
Other		1,718	433	1,720	433
Outflows:					
Employee expenses		(414,739)	(393,961)	(412,125)	(392,426)
Supplies and services		(235,045)	(234,513)	(235,799)	(233,904)
Grants and subsidies		(129,735)	(124,504)	(136,036)	(130,325)
Borrowing costs		(572)	(573)	(572)	(576)
Equity return expense		(56,322)	(53,905)	(56,322)	(53,905)
GST remitted to ATO		(3,970)	(3,436)	(3,924)	(3,436)
Other		(6,013)	(6,633)	(5,940)	(6,633)
Net cash provided by (used in) operating activities	24	62,024	78,500	57,139	74,805
Cash flows from investing activities					
Inflows:					
Sales of property, plant and equipment		1,853	1,065	1,828	1,065
Outflows:					
Payments for property, plant and equipment		(42,183)	(43,394)	(36,317)	(41,813)
Payments for intangibles		(18,326)	(4,726)	(18,326)	(4,726)
Net cash provided by (used in) investing activities		(58,656)	(47,055)	(52,815)	(45,474)
Cash flows from financing activities					
Inflows:					
Borrowings		10,512	1,948	10,512	1,948
Equity injections		107	827	107	827
Outflows:					
Borrowing redemptions		(3,747)	(3,098)	(3,747)	(3,098)
Finance lease payments		(784)	(779)	(750)	(779)
Equity Withdrawals		(10,227)	(9,594)	(10,227)	(9,594)
Equity Transfers due to MOG		-	947	-	947
Net cash provided by (used in) financing activities		(4,139)	(9,749)	(4,105)	(9,749)
Net increase (decrease) in cash held		(771)	21,696	219	19,582
Cash at beginning of financial year		28,601	6,905	26,487	6,905
Cash at end of financial year	12	27,830	28,601	26,706	26,487

For Non-Cash Financing and Investing Activities refer Note 25

The accompanying notes form part of these statements.

Department of Employment and Training

STATEMENT OF FINANCIAL PERFORMANCE BY OUTPUTS / MAJOR ACTIVITIES

For the year ended 30 June 2003

	Vocational Education, Training & Youth Services		Employment Initiatives		Services Provided to the Department of Industrial Relations		Internal Eliminations		Total Parent Entity (Department)	
	2003 \$000	2002 \$000	2003 \$000	2002 \$000	2003 \$000	2002 \$000	2003 \$000	2002 \$000	2003 \$000	2002 \$000
Revenues from ordinary activities *										
Output revenue	488,705	485,223	102,474	96,381	-	-	-	-	591,179	581,604
User charges	114,584	100,126	33	294	8,942	8,584	-	-	123,559	109,004
Grants and other contributions	170,881	163,588	311	131	-	-	(3,854)	(2,978)	167,338	160,741
Other	2,756	2,423	4	15	-	-	-	-	2,760	2,438
Total revenues from ordinary activities	776,926	751,360	102,822	96,821	8,942	8,584	(3,854)	(2,978)	884,836	853,787
Expenses from ordinary activities *										
Employee expenses	406,743	382,976	6,878	4,931	5,224	5,056	-	-	418,845	392,963
Supplies and services	207,465	206,179	2,934	4,811	2,709	1,606	-	-	213,108	212,596
Equity return expense	56,259	53,859	13	14	40	42	-	-	56,312	53,915
Depreciation and amortisation	58,993	45,549	235	168	1,332	1,343	-	-	60,560	47,060
Grants and subsidies	45,223	45,974	93,028	86,734	-	-	(3,854)	(2,978)	134,397	129,730
Other	8,521	11,443	89	70	266	320	-	-	8,876	11,833
Total expenses from ordinary activities excluding borrowing costs	783,204	745,980	103,177	96,728	9,571	8,367	(3,854)	(2,978)	892,098	848,097
Borrowing costs expense	422	351	8	8	142	217	-	-	572	576
Surplus (deficit) from ordinary activities	(6,700)	5,029	(363)	85	(774)	-	-	-	(7,834)	5,114
Net surplus (deficit)	(6,700)	5,029	(363)	85	(774)	-	-	-	(7,834)	5,114
Non-owner transaction changes in equity:										
Net increase/(decrease) in asset revaluation reserve	21,669	54,309	-	-	-	-	-	-	21,669	54,309
Net amount of each revenue, expense, valuation or other adjustment not disclosed above recognised directly in equity	(3,325)	-	-	-	-	-	-	-	(3,325)	-
Total revenues, expenses and valuation adjustments recognised directly in equity	18,344	54,309	-	-	-	-	-	-	18,344	54,309
Total changes in equity other than those resulting from transactions with owners as owners	10,800	59,338	(363)	85	(774)	-	-	-	10,510	59,423
* Allocation of revenues and expenses from ordinary activities to corporate services (disclosure only):										
Revenues from ordinary activities	30,128	26,653	2,339	1,820	8,942	8,584	-	-	41,409	37,057
Expenses from ordinary activities	29,525	25,925	2,258	1,851	9,713	8,854	-	-	41,496	36,360
Refer Paragraph (u)										

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2003

Objectives of the Department

The Department of Employment and Training's primary goal is skilling Queenslanders for employment and building the social and economic capacity of communities.

This is achieved through:

- **Employment, training and youth initiatives** that deliver improved access to and opportunities for employment and enhanced quality of life for Queenslanders;
- **Strategic policy, planning and partnering** initiatives at a state and national level and working in partnerships with government agencies and the community; and
- **Organisational capability** initiatives delivered to major program areas based on our highly skilled and motivated workforce and sustainable organisations recognised as clever, responsive, creative and innovative.

Summary of Significant Accounting Policies

(a) Basis of Accounting

This financial report is a general purpose financial report that has been prepared in accordance with applicable Australian Accounting Standards (principally AAS 29 Financial Reporting by Government Departments), the Treasurer's Financial Reporting Requirements for the year ending 30 June 2003, and other authoritative pronouncements.

Except where stated, the historical cost convention is used.

The accounting policies adopted by the department are materially consistent with those for the previous year apart from a change in the accounting policy on the amortisation and depreciation of property plant and equipment, paragraph (m).

(b) The Reporting Entity

The financial statements include the value of all revenues, expenses, assets, liabilities and equities of the department (parent entity) and Aviation Australia Pty Ltd.

In the process of reporting the department as a single economic entity, all transactions with entities controlled by the department have been eliminated, where material.

The outputs/major activities undertaken by the department are disclosed in paragraph (v) and Note 28.

(c) Administered Transactions and Balances

The department administers, but does not control, certain resources on behalf of the Government. In doing so, it has responsibility and is accountable for administering related transactions and items, but does not have the discretion to deploy the resources for the achievement of the department's objectives.

Administered transactions and balances are disclosed in Note 31.

(d) Trust and Agency Transactions and Balances

The department undertakes certain transactions and balances in a fiduciary capacity on behalf of bequeaths and donations.

As the department only performs a custodial role in respect of these transactions and balances, they are not recognised in the Statement of Financial Performance, Statement of Financial Position and Statement of Cash Flows.

The department does not act as an agent.

(e) User Charges, Taxes, Fees and Fines

User charges and fees controlled by the department are recognised as revenues when invoices for the related services are issued. User charges and fees are controlled by the department where they can be deployed for the achievement of departmental objectives.

(f) Grants and other Contributions

Grants, donations and gifts that are non-reciprocal in nature are recognised as revenue in the year in which the department obtains control over them. Where grants are received that are reciprocal in nature, revenue is accrued over the term of the funding arrangements.

Contributed assets are recognised at their fair value.

Contributions of services are recognised only when a fair value can be determined reliably and the services would be purchased if they had not been donated.

(g) Output Revenue/Administered Revenue

Appropriations provided under the Annual Appropriation Act are recognised as revenue when received.



(h) Cash Assets

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.

(i) Receivables

Trade debtors are recognised at the nominal amounts due at the time of sale or service delivery. Settlement on these amounts is required within 30 days from invoice date.

The collectability of receivables is assessed periodically with provision being made for doubtful debts. All known bad debts were written-off as at 30 June.

Other debtors 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.

(j) Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost is assigned on a weighted average basis and includes expenditure incurred in acquiring the inventories and bringing them to their existing condition.

Net realisable value is determined on the basis of the department's normal selling pattern.

Expenses associated with marketing, selling and distribution are deducted to determine net realisable value.

(k) Acquisitions of Assets

Actual cost is used for the initial recording of all 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.

Where assets are received free of charge from another Queensland department (whether as a result of a machinery-of-Government or other involuntary transfer), the acquisition cost is recognised as the gross carrying amount in the books of the transferor 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 department, are recognised at their fair value at date of acquisition in accordance with AAS 21 – *Acquisitions of Assets*.

(l) Property, Plant and Equipment

All items of property, plant and equipment (excluding computers), except intangibles, with a cost or other value in excess of \$2,000 are recognised for financial reporting purposes in the year of acquisition.

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

All computer equipment with a cost or other value in excess of \$1,000 is recognised in the year of acquisition.

Computer equipment with a lesser value is expensed in the year of acquisition.

(m) Amortisation and Depreciation of Intangibles, Property, Plant and Equipment

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

Departmental depreciation methodology with respect to plant and equipment asset classes was reviewed during 2003. As a consequence the department has re-aligned its depreciation methodology from diminishing value to straight line in this class. The change in methodology ensures consistency of accounting policy within Queensland Treasury guidelines and Accounting Standards (under AAS4 and AASB1021).

Assets under construction (capital works-in-progress) are not depreciated until they reach service delivery capacity.

Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate and are depreciated accordingly.

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.

The depreciable amount of improvements to or on leasehold land is allocated progressively over the estimated useful lives of the improvements or the unexpired period of the lease, whichever is the shorter. The unexpired period of leases includes any option period where exercise of the option is probable.

Leased plant and equipment are amortised on a straight line basis over the term of the lease, or where it is likely that the department will obtain ownership of the asset, the expected useful life of the asset to the department.

Items comprising the department's technical library are expensed on acquisition.

For each class of depreciable asset the following depreciation/amortisation rates were used:

Class	Rate %
Land improvements	1.25 – 6.67
Buildings	1.25 – 5.71
Heritage & cultural assets	1.0 – 5.71
Leasehold improvements	10 – 50
Plant & equipment:	
Computer equipment	20 – 25
Motor vehicles	15 – 20
Other equipment	5.0 – 20
<i>Intangible Assets</i>	
Licences	10 – 33.3
Information Systems	20 – 33.3

(n) Revaluations of Non-Current Physical Assets

Land, buildings, infrastructure and heritage and cultural assets are measured at fair value in accordance with AASB 1041 *Revaluation of Non-Current Assets* and Queensland Treasury's *Non-Current Asset Accounting Guidelines for the Queensland Public Sector*.

All other non-current assets, principally plant and equipment and intangibles, are measured at cost.

Non-current physical assets measured at fair value are comprehensively revalued at least once every five years with interim valuations, using appropriate indices, being otherwise performed on an annual basis where there has been a material variation in the index.

Only those assets, the total values of which are material, compared to the value of the class of assets to which they belong, are comprehensively revalued.

Separately identified components of assets are measured on the same basis as the assets to which they relate. Where this has not yet been fully implemented by the department, in relation to Buildings and Land Improvements, the department is committed to identifying the components and measuring them on the same basis as the assets to which they relate.

The department has committed to a program of progressive Non-Current Physical Asset revaluations. The program will

be actioned over a three year period commencing in 2003 with an intended completion date during 2006.

The program will entail a revaluation and stocktake of land and buildings at each of five TAFE Institutes during the three year period from 2003-2006, totalling fifteen TAFE Institutes. The program will ensure assets, inclusive of their sub-components, are identified and effectively managed in line with their life cycle.

(o) Leases

A distinction is made in the financial statements between finance leases that effectively transfer from the lessor to the lessee substantially all risks and benefits incidental to ownership, and operating leases, under which the lessor retains substantially all risks and benefits.

Where a non-current physical asset is acquired by means of a finance lease, the asset is recognised at an amount equal to the present value of the minimum lease payments. The liability is recognised at the same amount.

Lease payments are allocated between the principal component of the lease liability and the interest expense.

Operating lease payments are representative of the pattern of benefits derived from the leased assets and are expensed in the periods in which they are incurred.

Incentives received on entering into operating leases are recognised as liabilities. Lease payments are allocated between rental expense and reduction of the liability.

(p) Other Financial Assets

Other financial assets are brought to account at the lower of cost and recoverable amount and are disclosed at the fair values indicated in Note 30.

(q) Intangibles

Intangible assets with a cost or other value greater than \$50,000 are recognised in the financial statements, items with a lesser value being expensed. Each intangible asset is amortised over its estimated useful life to the department, less any anticipated residual value.

Licences

The purchase cost of these licences has been capitalised and is being amortised on a straight-line basis over the period of the expected benefit to the department, between three and ten years.



Information Systems

Costs associated with the development of computer software and management information systems have been capitalised and are amortised on a straight-line basis over the period of expected benefit to the department, between three and five years.

(r) Payables

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

(s) Interest-Bearing Liabilities

Loans payable are recognised at the face value of the principal outstanding, interest being expensed or otherwise recognised as it accrues. The fair value of these loans is disclosed in Note 30.

(t) Employee Benefits

Wages, Salaries, Annual Leave and Sick Leave

Wages, salaries and annual leave due but unpaid at reporting date are recognised in the Statement of Financial Position at the remuneration rates expected to apply at the time of settlement and include related on-costs such as payroll tax, WorkCover premiums, long service leave levies and employer superannuation contributions.

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to recur in 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.

Long Service Leave

Under the Queensland Government's long service leave scheme, a levy is made on the department to cover this expense. Amounts paid to employees for long service leave are claimed from the scheme as and when leave is taken.

No provision for long service leave is recognised by the department in the financial statements, the liability being held on a whole-of-Government basis and reported in the

financial report prepared pursuant to AAS 31 – *Financial Reporting by Governments*.

Superannuation

Employer superannuation contributions are paid to QSuper, the superannuation plan for Queensland Government employees, at rates determined by the State Actuary.

No liability is recognised for accruing superannuation benefits in these financial statements, the liability being held on a whole-of-Government basis and reported in the financial report prepared pursuant to AAS 31 – *Financial Reporting by Governments*.

(u) Allocation of Revenues and Expenses from Ordinary Activities to Corporate Services

The department discloses revenues and expenses attributable to corporate services in the Statement of Financial Performance by Outputs/Major Activities.

(v) Outputs/Major Activities of the Department

A number of non-reciprocal assets (\$0.033M) and liabilities (\$0.008M) were transferred between the department and the Department of Industrial Relations, Note 23.

The identity and purpose of the outputs/major activities undertaken by the department during the year are as follows:

Employment Initiatives

The Department of Employment and Training supports Queenslanders to participate fully in the social and economic life of the State by:

- Creating jobs for Queenslanders now, and in the future
- Assisting Queenslanders, and especially those most in need, to gain the skills, confidence and opportunity to be employed; and
- Alleviating skills shortages, which impede economic growth

The *Breaking the Unemployment Cycle* initiative is an array of flexible and responsive labour programs providing more than 56,000 apprentice, trainee and job opportunities over six years.

Vocational Education, Training and Youth Services

Queensland, the Smart State, requires a skilled workforce, underpinned by a flexible quality training system. This will foster community and economic growth in an increasingly competitive global market.

The Government is committed to increasing the skills and qualifications of all Queenslanders. The Government aims to support the economic, industry, social and regional development through partnerships with business, industry and community and by building on the quality of the vocational education and training system to deliver priorities of Government.

The Vocational Education, Training and Youth Services output of the department assesses industry and community demand for training and identifies and supplies responsive training programs to achieve maximum value for the Government's investment in training. Priorities include areas of employment growth, skills shortages, entry level pathways and products tailored to suit the unique needs of individuals marginalized by personal circumstance.

To meet the needs of young people, the department works collaboratively with communities and with Education Queensland to implement the *Education and Training Reforms for the Future*. The reforms will provide a range of education and training options and increase pathways from school to work to more appropriately meet the learning and earning needs of all young Queenslanders.

The views of young people are essential to guide Government policies, programs and services. The Office of Youth Affairs provides leadership in engaging young people with community and Government in Queensland.

(w) Insurance

The department's non-current physical assets and other risks are insured through the Queensland Government Insurance Fund, premiums being paid on a risk assessment basis. In addition, the department pays premiums to WorkCover Queensland in respect of its obligations for employee compensation.

(x) Rounding and Comparatives

Amounts included in the financial statements have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero.

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

(y) Services Received Free of Charge or For Nominal Value

Contributions of services are recognised only if the services would have been purchased if they had not been donated and their fair value can be measured reliably. Where this is the case, an equal amount is recognised as revenue and an expense.

(z) Contributed Equity

Non-reciprocal transfers of assets and liabilities between wholly-owned Queensland State Public Sector entities as a result of machinery-of-Government changes, are adjusted to 'Contributed Equity' in accordance with UIG Abstract 38 *Contributions by Owners Made to Wholly Owned Public Sector Entities*. Appropriations for equity adjustments are similarly designated.

(aa) Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are included in the costs of qualifying assets.

The capitalisation rate used to determine borrowing costs is the weighted average interest rate applicable to the department's outstanding borrowings, 5.29% (2002: 5.5%).

Borrowing costs include:

- Interest on bank overdrafts and short-term and long-term borrowings;
- Finance lease charges;
- Amortisation of discounts or premiums relating to borrowings; and
- Ancillary administration charges.

(ab) Taxation

Both the Department of Employment and Training and its controlled entity Aviation Australia Pty Ltd are defined as State Bodies under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax and Goods and Services Tax (GST). As such, GST credits receivable from/payable to the Australian Tax Office (ATO) are recognised and accrued.



(ac) Provision for Litigation

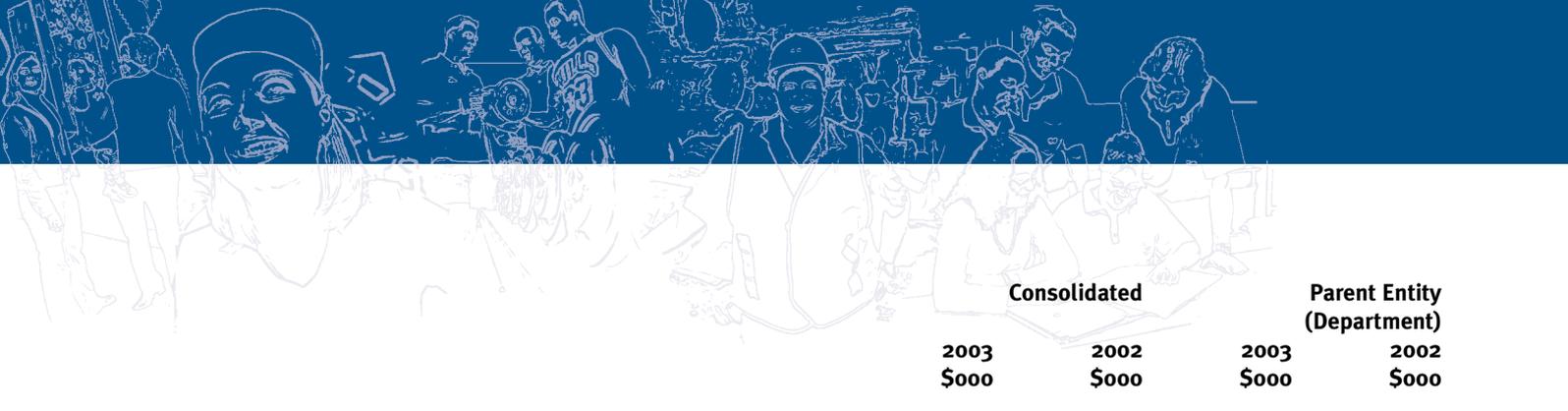
In accordance with the transitional provisions of AASB 1044, the amount of the provision recognised has been adjusted against opening retained surpluses of the current year in Note 21.

The result of this recognition has been to increase the provision for litigation by \$3.827M (Note 21), increase the receivables by \$3.447M (Note 13), decrease equity by \$0.320M (Note 23) and the residual of \$0.060M has been applied to the current year's financial performance results.

(ad) Provision for Training Services

In accordance with the transition provisions of AASB 1044 the initial adjustment arising from the application of AASB 1044 to the provision for training services at the beginning of the 2002-2003 reporting period has been adjusted directly against Retained Surpluses. The amount of this adjustment was \$1.847M (Notes 21 and 23).

	Consolidated		Parent Entity (Department)	
	2003 \$000	2002 \$000	2003 \$000	2002 \$000
1. Reconciliation of Payments from Consolidated Fund				
Reconciliation of Payments from Consolidated Fund to Output Revenue Recognised in Statement of Financial Performance				
Budgeted output appropriation	593,375	598,507	593,375	598,507
Transfers from/to other departments	175	558	175	558
Transfers from/to other headings	-	232	-	232
Plus supplementary appropriations	5,095	2,281	5,095	2,281
Repayments of incorrectly paid amounts	(14,314)	(9,600)	(14,314)	(9,600)
Total output receipts	584,331	591,978	584,331	591,978
Less: Opening balance of output revenue receivable	(6,848)	3,526	(6,848)	3,526
Plus: Closing balance of output revenue receivable	-	(6,848)	-	(6,848)
Output revenue recognised in Statement of Financial Performance	591,179	581,604	591,179	581,604
Reconciliation of Payments from Consolidated Fund to Equity Adjustment Recognised in Contributed Equity (Note 23)				
Budgeted equity adjustment appropriation	(10,227)	(9,929)	(10,227)	(9,929)
Transfers from/to other headings	-	(232)	-	(232)
Supplementary appropriations	-	567	-	567
Equity adjustment receipts (payments)	(10,227)	(9,594)	(10,227)	(9,594)
Less: Opening balance of equity adjustment receivable	-	-	-	-
Plus: Closing balance of equity adjustment receivable	-	-	-	-
Equity adjustment recognised in Contributed Equity (Note 23)	(10,227)	(9,594)	(10,227)	(9,594)
2. User Charges				
Sales of goods	35,948	32,637	35,948	32,632
Fees	70,291	56,328	69,672	56,295
Services Rendered	17,939	20,077	17,939	20,077
Total	124,178	109,042	123,559	109,004



	Consolidated		Parent Entity (Department)	
	2003 \$000	2002 \$000	2003 \$000	2002 \$000
3. Grants and Other Contributions				
Commonwealth Grants				
• ANTA* Recurrent	150,568	143,070	150,568	143,070
• ANTA* Capital	4,413	3,439	4,413	3,439
• ANTA* Specific purpose	3,726	4,726	3,726	4,726
• Other	3,345	4,202	3,345	4,202
Government contributions	4,652	2,650	4,652	2,650
Industry contributions	40	24	40	12
Donations-assets	52	40	52	40
Donations-other	36	49	36	49
Services received at below fair value				
• Archiving services	237	203	237	203
• Maintenance services	18	1,901	18	1,901
• Office accommodation services	-	83	-	83
• Criminal history services	105	70	105	70
• Computers	-	118	-	118
• Training services & course materials	28	9	28	9
• Health services	-	1	-	1
Other	118	168	118	168
Total	167,338	160,753	167,338	160,741

* ANTA – Australian National Training Authority

The grants have been recognised in their entirety upon receipt as the only condition set by the grantor relates to how the grants can be expended and there are no performance measures in terms of service delivery.

4. Other Revenues

Interest	1,536	1,191	1,507	1,191
Gain on sale of property, plant and equipment	637	287	637	287
Property rental	414	304	414	304
Other	258	656	202	656
Total	2,845	2,438	2,760	2,438

5. Employee Expenses/Number of Employees/Chief Executive's Remuneration

Employee Expenses:

Wages and salaries	352,382	325,864	350,194	324,589
Employer superannuation contributions	35,119	34,471	34,925	34,419
Long service leave levy	5,144	4,827	5,135	4,827
Redundancy payments	2,989	7,084	2,989	7,084
Payroll Tax	17,789	16,721	17,698	16,721
Workers Compensation	3,652	1,802	3,653	1,802
Other	4,383	3,776	4,251	3,521
Total	421,458	394,545	418,845	392,963
Number of Employees:	7,228	7,253	7,190	7,220

The number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis. The numbers have been averaged to avoid anomalous point-in-time results due to the seasonal nature of staffing requirements in some TAFE institutes. The department reported a total of 7,472 FTE's in 2001-02 which included 252 full-time equivalents on leave without pay (eg TAFE teachers on release to industry).

	Consolidated		Parent Entity (Department)	
	2003 \$000	2002 \$000	2003 \$000	2002 \$000

Chief Executive's Remuneration:

Level: CEO3	Min. \$193,866	Max. \$210,420
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In addition to the base superannuable salary, the Chief Executive is also eligible for a bonus, based on an assessment by the Premier and Minister for Trade. The total of such bonuses paid to the Chief Executives of all departments is published in the Annual Report of the Office of Public Service Merit and Equity.

The superannuable salary does not include industry and like allowances, leave loading and fringe benefits such as private use of a motor vehicle and employer superannuation contributions.

6. Supplies and Services

Competitive funding	63,023	62,522	64,257	63,146
Consultants and contractors	33,319	32,749	33,108	32,402
Building services	22,024	21,908	21,638	21,681
Materials	15,081	14,421	14,977	14,353
Repairs and maintenance	11,293	10,855	11,244	10,825
Computer related costs/expenses	10,012	7,342	9,975	7,265
Telecommunications charges	9,701	9,062	9,646	9,038
Course Supplies	5,770	4,892	5,770	4,892
Printing	5,171	3,842	5,093	3,842
Motor vehicles	5,131	4,559	5,112	4,553
Training Expenses Private providers	2,539	2,868	2,539	2,868
Postage & Freight	2,495	2,310	2,495	2,310
Equipment acquired below capitalisation threshold	1,123	827	1,123	827
Legal	1,133	763	1,080	673
Inter-agency services	588	11,242	588	11,242
Other	25,089	23,070	24,463	22,679
Total	213,492	213,232	213,108	212,596

7. Equity Return Expense

Equity return expense	56,312	53,915	56,312	53,915
Total	56,312	53,915	56,312	53,915

The Queensland Government has set an equity return rate of 6% for 2002-03.

This represents the opportunity cost of capital invested in the net assets of the department.

8. Depreciation and Amortisation

Depreciation and amortisation incurred in respect of:

Land improvements	2,488	2,421	2,488	2,421
Heritage and Cultural Assets	251	258	251	258
Plant and equipment*	22,886	11,800	22,671	11,735
Leasehold improvements	822	395	811	389
Buildings	24,436	23,479	24,422	23,479
Licences	345	307	345	307
Information systems	9,589	8,478	9,572	8,471
Total	60,817	47,138	60,560	47,060

* includes additional depreciation expense of \$10.189M due to change in accounting policy, refer paragraph (m)

	Consolidated		Parent Entity (Department)	
	2003 \$000	2002 \$000	2003 \$000	2002 \$000

9. Grants and Subsidies

Recurrent grants				
Public sector apprenticeship and traineeship employment subsidies	37,832	42,440	37,832	42,440
Community employment programs & community training partnerships	28,287	25,650	28,287	25,650
Agricultural college boards	14,383	15,862	14,383	15,862
Private sector apprenticeship and traineeship employment subsidies	9,069	6,821	9,069	6,821
Youth for environment traineeship employment subsidy	8,309	4,845	8,309	4,845
Group scheme employer subsidies	5,365	4,133	5,365	4,133
Vocational Educational Training (VET) in schools	3,835	2,718	3,835	2,718
Industry training advisory boards	2,969	3,987	2,969	3,987
Skill centres	2,210	-	4,345	-
Get set for work	2,053	2,755	2,053	2,755
Apprentice traineeship accommodation subsidies	1,833	2,005	1,833	2,005
Queensland Manufacturing Institute	-	334	-	334
Other employment grants & subsidies	1,355	354	1,355	354
Other	9,596	10,175	12,062	10,175
	127,096	122,079	131,697	122,079
Capital grants				
Other	1,000	1,830	2,700	7,651
Total	128,096	123,909	134,397	129,730

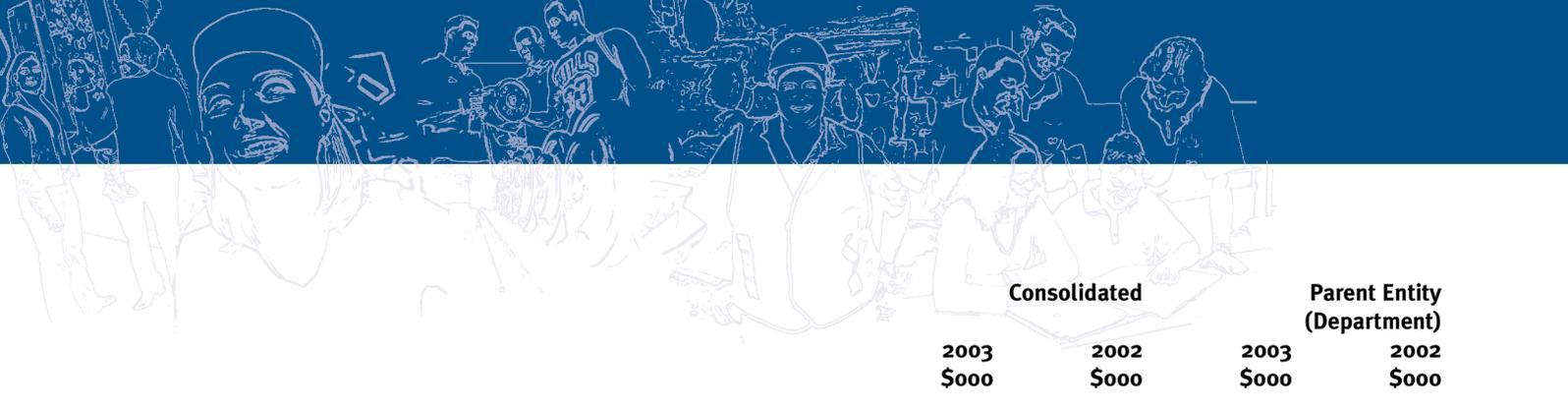
10. Other Expenses

Donated non-current physical assets	51	61	51	61
Operating lease rentals	3,336	4,231	3,336	4,231
Insurance premiums - QGIF	1,242	1,439	1,242	1,420
Bad and doubtful debts	934	2,084	922	2,084
External audit fees	358	417	350	409
Other certification fees	383	376	383	376
Insurance premiums - Other	73	-	-	-
Losses from disposal of property, plant & equipment	2,422	2,948	2,381	2,948
Losses:				
• Public moneys	2	2	2	2
• Public property *	127	105	127	105
Special payments:				
• Ex-gratia payments	12	70	12	70
• Court awarded damages	70	-	70	-
Other	-	127	-	127
Total	9,010	11,860	8,876	11,833

External Audit fees include \$0.052M (2002: \$0.050M) (exclusive of GST) for the Department of Industrial Relations. These are processed on the latter department's behalf as part of the memorandum of understanding between the Department of Employment and Training and the Department of Industrial Relations, for the provision of corporate services.

* Certain losses of public property are insured by the Queensland Government Insurance Fund (QGIF). The claims made in respect of these losses have yet to be assessed by QGIF and the amount recoverable cannot be estimated reliably at reporting date. Upon notification by QGIF of the acceptance of the claims, revenue will be recognised for the agreed settlement amount and disclosed as 'Other Revenues – Insurance recoveries'.

	Consolidated		Parent Entity (Department)	
	2003 \$000	2002 \$000	2003 \$000	2002 \$000
11. Borrowing Costs				
Interest	556	455	556	455
Administration charges	10	8	10	8
Finance charges relating to finance leases	17	116	6	113
Total	583	579	572	576
No borrowing costs were recognised during the period as part of the carrying amount of any qualifying assets.				
12. Cash Assets				
Cash at bank and on hand	27,697	28,419	26,574	26,306
Imprest accounts	100	100	99	99
Cash in transit	29	50	29	50
Travel and transfer advances	4	32	4	32
Total	27,830	28,601	26,706	26,487
13. Receivables				
<i>Current</i>				
Trade debtors	22,074	19,904	21,786	19,857
Self employed venture loans scheme	106	282	106	282
Less: Provision for doubtful debts	(2,776)	(2,556)	(2,764)	(2,556)
	19,404	17,630	19,128	17,583
GST receivable	3,490	3,557	3,438	3,526
GST payable	(575)	(663)	(575)	(663)
Long service leave reimbursements	1,165	1,180	1,165	1,180
Other	110	1,976	109	1,976
Total	23,594	23,680	23,265	23,602
<i>Non-Current</i>				
Litigation Receivable	3,447	-	3,447	-
Loans and advances	288	288	288	288
Total	3,735	288	3,735	288
14. Inventories				
<i>Current</i>				
Finished goods at cost	680	659	680	659
Supplies and consumables at cost	310	400	310	400
Total	990	1,059	990	1,059
15. Other Current Assets				
Prepayments – Competitive tendering	2,263	1,335	3,074	1,335
Prepayments – Trade	1,830	3,355	1,830	3,304
Prepayments – Grants	1,208	1,490	1,208	1,490
Total	5,301	6,180	6,112	6,129



Consolidated

**Parent Entity
(Department)**

2003 **2002** **2003** **2002**
\$000 **\$000** **\$000** **\$000**

16. Other Financial Assets

Non-Current

Shares (see Note 30)

Sugar Terminals Limited – Grower shares

QANTM – Ordinary shares

Less provision for diminution

2	2	2	2
300	300	300	300
(302)	(300)	(302)	(300)

Total

-	2	-	2
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The fair value of other financial assets is:

Shares in subsidiary (see Note 30)

Sugar Terminals Limited – Grower shares

QANTM Australia CMC Pty Ltd

-	2	-	2
-	-	-	-

Total

-	2	-	2
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The department has provided for a diminution in the value of QANTM Australia CMC Pty Ltd shares based on the expected net recoverable amount of shares being lower than their cost.

In August 2000 the department was granted 1,511 “Grower” shares in Sugar Terminals Limited. Entitlement was based on volume of sugar milled between 1989 and 1997. The shares have been valued at the initial valuation on acquisition by independent valuers PriceWaterhouseCoopers less capital dividends returned.

In October 2001 the department participated in the formation of Aviation Australia Pty Ltd acquiring three (3) \$1.00 shares, Note 28.

17. Intangibles

Licence fees:

At cost

Less: Accumulated amortisation

3,157	3,067	3,157	3,067
(1,764)	(1,414)	(1,764)	(1,414)

1,393	1,653	1,393	1,653
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Information systems:

At cost

Less: Accumulated amortisation

54,310	40,692	54,310	40,491
(32,739)	(23,269)	(32,739)	(23,262)

21,571	17,423	21,571	17,229
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Work in progress

15,066	5,854	15,066	5,854
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Total

38,030	24,930	38,030	24,736
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18. Property, Plant and Equipment

Current

Land

At independent valuation 2003

16,977	11,097	16,977	11,097
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Total - Current

16,977	11,097	16,977	11,097
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Non-Current

Land:

At independent valuation 2003

117,755	103,679	117,755	103,679
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Land improvements:

At cost

At independent valuation 2001

Less: Accumulated depreciation

-	658	-	658
249,743	245,899	249,743	245,899
(66,090)	(64,000)	(66,090)	(64,000)

183,653	182,557	183,653	182,557
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	Consolidated		Parent Entity (Department)	
	2003 \$000	2002 \$000	2003 \$000	2002 \$000
18. Property, Plant and Equipment (continued)				
Buildings:				
At cost	-	8,133	-	8,133
At independent valuation 2001	1,017,440	982,860	1,012,989	982,860
Less: Accumulated depreciation	(443,842)	(419,406)	(443,827)	(419,406)
	573,598	571,587	569,162	571,587
Heritage and cultural assets:				
At independent valuation 2001	10,280	12,174	10,280	12,174
Less: Accumulated depreciation	(8,276)	(9,682)	(8,276)	(9,682)
	2,004	2,492	2,004	2,492
Leasehold improvements:				
At cost	6,925	4,681	6,645	4,472
Less: Accumulated depreciation	(1,839)	(1,005)	(1,822)	(999)
	5,086	3,676	4,823	3,473
Plant and equipment:				
At cost	172,726	165,139	170,100	164,153
Less: Accumulated depreciation	(126,269)	(112,420)	(126,036)	(112,375)
	46,457	52,719	44,064	51,778
Plant and equipment under finance lease:				
At capitalised cost	187	3,828	-	3,694
Less: Accumulated amortisation	(47)	(1,555)	-	(1,535)
	140	2,273	-	2,159
Capital Works in Progress:				
At cost	6,516	18,881	6,516	18,696
Total – Non Current	935,209	937,864	927,977	936,421
Total Property, Plant and Equipment	952,186	948,961	944,954	947,518

Independent valuations of land, land improvements, buildings, heritage and cultural assets were performed as at 31 March 2001 by the Department of Natural Resources and Mines using 'fair value' principles.

Land was revalued in 2003 using the land valuation index determined by the Department of Natural Resources and Mines. The valuation of land improvements and buildings is based on replacement cost.

Plant and equipment and leasehold improvements are valued at cost in accordance with Queensland Treasury's *Non-Current Asset Accounting Guidelines for the Queensland Public Sector (May 2001)*.

Department of Employment and Training

Reconciliation

	Land		Land Improve		Buildings		Heritage & Cultural		Leasehold Improvements		Plant & Equip		Leased Plant & Equip		Capital Works-in-progress		Total	
	Consolidated	Parent Entity (Dept)	Consolidated	Parent Entity (Dept)	Consolidated	Parent Entity (Dept)	Consolidated	Parent Entity (Dept)	Consolidated	Parent Entity (Dept)	Consolidated	Parent Entity (Dept)	Consolidated	Parent Entity (Dept)	Consolidated	Parent Entity (Dept)	Consolidated	Parent Entity (Dept)
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Carrying amount at 1 July	114,776	114,776	182,557	182,557	571,587	571,587	2,492	2,492	3,676	3,473	53,052	51,778	2,273	2,159	18,881	18,696	949,294	947,518
Acquisitions	174	174	2,996	2,996	14,866	10,603	-	-	1,532	1,461	16,251	14,877	53	-	6,126	6,126	41,998	36,237
Donations received	-	-	-	-	-	-	-	-	-	-	51	51	-	-	-	-	51	51
Disposals	(729)	(729)	(75)	(75)	-	-	(237)	(237)	(7)	(7)	(2,417)	(2,350)	-	-	(25)	(25)	(3,490)	(3,423)
Donations made	-	-	-	-	-	-	-	-	-	-	(51)	(51)	-	-	-	-	(51)	(51)
Transfers between classes	-	-	663	663	11,581	11,394	-	-	707	707	2,430	2,430	(2,159)	(2,159)	(18,466)	(18,281)	(5,244)	(5,246)
Revaluation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increments/(note 23)	20,511	20,511	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20,511	20,511
Depreciation/Amortisation	-	-	(2,488)	(2,488)	(24,436)	(24,422)	(251)	(251)	(822)	(811)	(22,859)	(22,671)	(27)	-	-	-	(50,883)	(50,643)
Carrying amount at 30 June	134,732	134,732	183,653	183,653	573,598	569,162	2,004	2,004	5,086	4,823	46,457	44,064	140	-	6,516	6,516	952,186	944,954

	Consolidated		Parent Entity (Department)	
	2003 \$000	2002 \$000	2003 \$000	2002 \$000
19. Payables				
<i>Current</i>				
Trade creditors and other	17,664	13,135	17,222	12,980
Long service leave levy payable	1,294	1,258	1,294	1,258
Competitive tendering	5,451	3,718	5,451	3,718
Total	24,409	18,111	23,967	17,956
20. Interest-Bearing Liabilities				
<i>Current</i>				
Lease liability (Note 30)	45	586	-	556
Queensland Treasury Corporation borrowings	4,820	3,092	4,820	3,092
Total	4,865	3,678	4,820	3,648
<i>Non-Current</i>				
Lease liability (Note 30)	108	299	-	195
Queensland Treasury Corporation borrowings	9,620	4,583	9,620	4,583
Total	9,728	4,882	9,620	4,778

Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

No assets have been pledged as security for any liabilities.

All borrowings are in Australian dollar denominated amounts and recognised at their face value, interest being expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Repayment dates vary from 15 April 2004 to 15 June 2008.

Principal and interest repayments are made quarterly in arrears at rates ranging from 4.5% to 8.0%.

The market value of the department's borrowings at 30 June, as notified by the Queensland Treasury Corporation, was \$14.525M; (2002: \$7.732M). This represents the value of the debt if the department repaid it in full at balance date.

As it is the intention of the department to hold its borrowings for their full term, no adjustment provision is made in these accounts.

Interest on finance leases is recognised as an expense as it accrues. No interest has been capitalised during the current or comparative reporting period.

The average lease term is 3.5 years and implicit interest rates range from 6.9% to 8.5% (2002: 6% to 12%).



21. Provisions

	Consolidated		Parent Entity (Department)	
	2003 \$000	2002 \$000	2003 \$000	2002 \$000
<i>Current</i>				
Employee benefits:				
• Annual leave	35,978	32,800	35,865	32,760
• Pensions	30	29	30	29
Training Services	1,613	-	1,613	-
Total	37,621	32,829	37,508	32,789
<i>Non-Current</i>				
Employee benefits:				
• Long service leave	15	6	-	-
• Pensions	293	266	293	266
	308	272	293	266
Other				
• Litigation	3,827	-	3,827	-
Total	4,135	272	4,120	266

Provision for training services

A provision has been recognised for payments to registered training organisations in 2003 – 2004 for training which may be provided under contracts for 2002 – 2003.

In accordance with the transitional provisions of AASB 1044, the amount of the provision initially recognised has been adjusted against opening retained surpluses of the reporting period.

Movements in provision for training payments

Balance 1 July 2002	-	-	-	-
Initial application of AASB 1044 (01-02)	1,847	-	1,847	-
Adjustment to provision (02-03)	(234)	-	(234)	-
Balance 30 June 2003	1,613	-	1,613	-

Provision for litigation

Several claims for specified damages have been brought against the department in the Magistrates, District and Supreme Courts alleging breaches of legislation. Legal opinion indicates it is probable that the department will be required to pay these damages and that it is possible to make a reliable estimate of the amount required to settle the claims.

A litigation provision has been recognised accordingly, refer paragraph (ac).

In accordance with the transitional provisions of AASB 1044, the amount of the provision initially recognised has been adjusted against opening retained surpluses of the reporting period.

Movements in provision for litigation

Balance 1 July 2002	-	-	-	-
Initial application of AASB 1044 (01-02)	3,457	-	3,457	-
Adjustment to provision (02-03)	370	-	370	-
Balance 30 June 2003	3,827	-	3,827	-

	Consolidated		Parent Entity (Department)	
	2003 \$000	2002 \$000	2003 \$000	2002 \$000
22. Other Liabilities				
<i>Current</i>				
Unearned revenue	16,509	21,561	16,509	21,561
Grants and subsidies payable	47	2,035	47	2,035
Lease incentive liability	19	13	19	13
Total	16,575	23,609	16,575	23,609
<i>Non-Current</i>				
Lease incentive liability	69	27	69	27
Total	69	27	69	27

Department of Employment and Training

23. Changes in Equity

	Consolidated Retained Surpluses		Parent Entity (Department) Retained Surpluses		Consolidated Asset Revaluation Reserve		Parent Entity (Department) Asset Revaluation Reserve		Consolidated Contributed Equity		Parent Entity (Department) Contributed Equity	
	2003 \$000	2002 \$000	2003 \$000	2002 \$000	2003 \$000	2002 \$000	2003 \$000	2002 \$000	2003 \$000	2002 \$000	2003 \$000	2002 \$000
Balance 1 July	763,425	754,766	759,880	754,766	114,841	60,532	114,841	60,532	72,027	79,797	72,027	79,797
Net Surplus	(4,228)	8,659	(7,834)	5,114	-	-	-	-	-	-	-	-
Non-Owner changes in equity recognised on the face of the Statement of Financial Performance:												
- Increase in Asset Revaluation Reserve	(1,158)	-	(1,158)	-	21,669	54,309	21,669	54,309	-	-	-	-
- Adjustment due to initial application of AASB 1044	-	-	-	-	-	-	-	-	-	-	-	-
- Provision for Training Service	(1,847)	-	(1,847)	-	-	-	-	-	-	-	-	-
- Provision for litigation	(320)	-	(320)	-	-	-	-	-	-	-	-	-
Transactions with Owners as Owners:												
- Equity injections (Note 1)	-	-	-	-	-	-	-	-	(10,227)	(9,594)	(10,227)	(9,594)
- Assets received (MOG Change) Paragraph (v)	-	-	-	-	-	-	-	-	-	2,984	-	2,984
- Liabilities received (MOG Change) Paragraph (v)	-	-	-	-	-	-	-	-	-	(1,300)	-	(1,300)
- Other	-	-	-	-	-	-	-	-	33	-	33	-
- Net leave liabilities transferred to (from) other departments	-	-	-	-	-	-	-	-	-	140	49	140
Balance 30 June	755,872	763,425	748,721	759,880	136,510	114,841	136,510	114,841	61,882	72,027	61,882	72,027
Closing Balance of Asset Revaluation Reserve by Class:												
Land					31,359	10,848	31,359	10,848				
Land improvements					54,529	54,529	54,529	54,529				
Buildings					50,622	50,622	50,622	50,622				
Heritage & cultural assets					0	(1,158)	0	(1,158)				
Total					136,510	114,841	136,510	114,841				

	Consolidated		Parent Entity (Department)	
	2003 \$000	2002 \$000	2003 \$000	2002 \$000
24. Reconciliation of Net Surplus/Deficit to Net Cash Provided by (Used in) Operating Activities				
Net Surplus	(4,228)	8,659	(7,834)	5,114
Depreciation and amortisation expense	60,817	47,138	60,560	47,060
Donated assets received	93	61	93	61
Assets donated to other organisations	51	-	51	-
Services received below fair value	(348)	(2,425)	(348)	(2,425)
Loss of public monies/property	129	105	129	105
Non-cash intra-departmental elimination	-	2,371	-	2,371
Assets not previously recognised	(216)	(605)	(216)	(605)
Loss on sale of property, plant and equipment	2,027	2,648	1,986	2,648
Gain on sale of property, plant and equipment	(146)	(287)	(146)	(287)
Change in assets and liabilities:				
(Increase)/decrease in output revenue receivable	-	3,526	-	3,526
(Increase)/decrease in current assets	-	(31)	-	-
(Increase)/decrease in GST input tax credits receivable	87	386	87	386
(Increase)/decrease in LSL reimbursement receivables	15	(181)	15	(181)
(Increase)/decrease in other finance assets	2	300	2	300
(Increase)/decrease in net receivables	140	(995)	337	(929)
(Increase)/decrease in inventories	69	207	69	207
(Increase)/decrease in prepayments	842	(371)	18	(355)
Increase/(decrease) in accounts payable	6,505	3,724	6,246	3,585
Increase/(decrease) in employee provisions	3,226	641	3,133	595
Increase/(decrease) in unearned revenue	(4,022)	13,186	(5,052)	13,186
Increase/(decrease) in grants and subsidies payable	(1,988)	213	(1,988)	213
Increase/(decrease) in long service levy payable	36	(28)	36	(28)
Increase/(decrease) in other current liabilities	(981)	21	47	21
Increase/(decrease) in GST payable	(86)	237	(86)	237
Net cash provided by (used in) operating activities	62,024	78,500	57,139	74,805

25. Non-Cash Financing and Investing Activities

Assets and liabilities received or donated/transferred by the department and recognised as revenues and expenses are set out in Notes 3 and 10 respectively.

	Consolidated		Parent Entity (Department)	
	2003 \$000	2002 \$000	2003 \$000	2002 \$000

26. Commitments for Expenditure

(a) Finance Lease Liabilities

Lease liabilities recognised in the Statement of Financial Position:

• Current	45	586	-	556
• Non-Current	108	299	-	195
Total	153	885	-	751

Commitments under finance leases at reporting date are inclusive of anticipated GST and are payable as follows:

• Not later than one year	50	680	-	643
• Later than one year and not later than five years	117	344	-	230
• Later than five years	-	-	-	-
	167	1,024	-	873

Less: Anticipated input tax credits
Future finance charge

	(14)	(139)	-	(122)
Total	153	885	-	751

(b) Non-Cancellable Operating Lease Commitments

Commitments under operating leases at reporting date are inclusive of anticipated GST and are payable as follows:

• Not later than one year	5,219	4,585	4,876	4,390
• Later than one year and not later than five years	8,656	12,763	7,179	12,003
• Later than five years	-	1,500	-	790
Total	13,875	18,848	12,055	17,183

Finance leases are entered into as a means of funding the acquisition of motor vehicles. Lease payments are generally fixed. No leases have escalation clauses other than in the event of payment default. A small number of leases have renewal or purchase options. Where such options exist, they are all exercisable at market prices.

No lease arrangements create restrictions on other financing transactions.

Operating leases are entered into as a means of acquiring access to office accommodation and storage facilities. Lease payments are generally fixed, but with inflation escalation clauses on which contingent rentals are determined.

No renewal or purchase options exist in relation to operating leases and no operating leases contain restrictions on financing or other leasing activities.

(c) Capital Expenditure Commitments

Material classes of capital expenditure commitments inclusive of anticipated GST, contracted for at reporting date but not recognised in the accounts are payable as follows:

Buildings	6,368	12,218	6,155	7,806
Land improvements	-	176	-	176
Plant and equipment	920	1,138	920	1,138
Total	7,288	13,532	7,075	9,120

Payable:

• Not later than one year	7,116	11,228	6,903	6,816
• Later than one year and not later than five years	172	2,304	172	2,304
• Later than five years	-	-	-	-

Total	7,288	13,532	7,075	9,120
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	Consolidated		Parent Entity (Department)	
	2003 \$000	2002 \$000	2003 \$000	2002 \$000
(d) Expenditure Commitments				
Employment grants	46,490	29,842	46,490	29,842
Contestable funding	27,579	-	27,579	-
Total	74,069	29,842	74,069	29,842
Payable:				
• Not later than one year	57,635	29,842	57,635	29,842
• Later than one year and not later than five years	16,434	-	16,434	-
• Later than five years	-	-	-	-
Total	74,069	29,842	74,069	29,842

27. Contingencies

(a) Guarantees and Undertakings

The following guarantee/undertaking is not recognised as a liability in the Statement of Financial Position:

In 2002 the department gave a guarantee to Brisbane Airport Corporation Ltd in regard to default lease payments by Aviation Australia Pty Ltd. This guarantee is limited to \$0.261M; (2002 \$0.254M) and relates to a training centre at Boronia Road, Eagle Farm for use by Aviation Australia Pty Ltd. No default lease payments have occurred and the department does not expect that the guarantee will be called upon.

(b) Native Title Claims Over Departmental Land

At 30 June 2003, 39 native title claims have been made on departmental land covering a total area of 767 hectares across the state. The land has a carrying amount of \$107.2M.

At reporting date it is not possible to make an estimate of any probable outcome of these claims, or any financial effect.

(c) Other

Construction Skills Centre

The department paid a total of \$10.65M to the Construction Industries 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 in CISC and founders of the fund.

(d) Agreements Equally Proportionately Unperformed (AEPUs)

Agreements equally proportionately unperformed are reciprocal agreements under which both parties are at the same stage of performance. It may be that neither party has fulfilled any commitments or that both parties have performed, to an equal extent, some of their promises, whilst other commitments remain to be honoured.

(i) Competitive Purchasing and User Choice

The Planning and Purchasing Division is a party to training contracts with external training providers. The value of training contracted but not yet claimed as at 30 June 2002 was \$46.9M and this amount was shown as a contingent liability in the 2001-2002 financial statements. For the 2002-2003 year, the equivalent amount is \$27.579M. This amount is shown as a commitment (Note 26).

(ii) Employment and Training Grants

For employment initiatives and grants entered into prior to 30 June 2003 where contracts extend beyond the 30 June 2003, the approximate value outstanding on these contracts are shown in the table below.

Name of Grant	Approximate Value outstanding	
	30 June 2003	30 June 2002
Community Jobs Plan and Employment Initiatives	\$1.738M	\$5.140M
Work Assistance Programs	\$0.872M	\$1.360M
Community Training Partnerships	\$1.862M	\$2.539M
Experience Pays	\$0.817M	-
Other	\$0.783M	\$0.346M
Total	\$6.072M	\$9.385M

28. Controlled Entities

In October 2001, the department participated, with the approval of the Treasurer, in the formation of Aviation Australia Pty Ltd (ACN 0980 207651) and acquired a 75% ownership interest in the company. The company was formed to fund aviation training. Aviation Australia Pty Ltd has issued four \$1.00 shares of which the Minister of Employment and Training acquired three and the Minister of State Development acquired one.

The entity is fully consolidated with the department's financial statements, due to the department's controlling interest.

The Auditor-General of Queensland audits the company.

29. Events Occurring after Balance Date

As part of the Government's strategy of Aligning Services with Priorities (ASAP) some corporate support services will be outsourced to "Corporate Solutions Queensland".

As of 1 July some staff and resources will be transferred to the Department of Employment and Training, which is hosting Corporate Solutions Queensland. Details of the financial effect of these transfers will be reported in the department's 2003-04 financial statements.

30. Financial Instruments

Interest Rate Risk Exposure

The department's exposure to interest rate risk and the effective interest rates of financial assets and financial liabilities are shown in the following table.

Parent Entity (Department)

Contractual Repricing / Maturity Date:

	Floating Rate \$000	1 year or less \$000	1 to 5 years \$000	Greater than 5 years \$000	Non Interest Bearing \$000	Total \$000	Weighted Average %
Financial Assets							
Cash	26,607	-	-	-	99	26,706	3.77
Shares	-	-	-	-	-	-	NA
Receivables	-	-	-	-	27,000	27,000	NA
Total	26,607	-	-	-	27,099	53,706	NA
Financial Liabilities							
Payables	-	-	-	-	23,967	23,967	NA
Interest-bearing liabilities	-	4,820	9,620	-	-	14,440	5.29
Finance lease liabilities	-	-	-	-	-	-	-
Total	-	4,820	9,620	-	23,967	38,407	NA

Consolidated

Contractual Repricing / Maturity Date:

	Floating Rate \$000	1 year or less \$000	1 to 5 years \$000	Greater than 5 years \$000	Non Interest Bearing \$000	Total \$000	Weighted Average %
Financial Assets							
Cash	27,726	-	-	-	104	27,830	3.77
Shares	-	-	-	-	-	-	NA
Receivables	-	-	-	-	27,329	27,329	NA
Total	27,726	-	-	-	27,433	55,159	NA
Financial Liabilities							
Payables	-	-	-	-	24,409	24,409	NA
Interest-bearing liabilities	-	4,820	9,620	-	-	14,440	5.29
Finance lease liabilities	-	45	108	-	-	153	6.91
Total	-	4,865	9,728	-	24,409	39,002	NA

- Floating interest rate represents the most recently administered market rate applicable to the instrument at 30 June 2003.
- The fixed rate represents weighted average market interest rate.

Credit Risk Exposure

The maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is the carrying amount of those assets net of any provisions for doubtful debts as indicated in the Statement of Financial Position.

No significant credit risks have been identified.

Net Fair Value

The net fair value is determined as follows:

- The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximate their carrying amounts.
- The net fair value of other monetary financial assets and financial liabilities is based on market prices where a market exists, or is determined by discounting expected future cash flows by the current interest rate for financial assets and liabilities with similar risk profiles.

The carrying amounts and estimated net fair values of financial assets and financial liabilities held at balance date are given below:

Financial Instruments - Parent	Total Carrying Amount		Net Fair Value	
	2003 \$000	2002 \$000	2003 \$000	2002 \$000
Financial Assets				
Cash	26,706	26,487	26,706	26,487
Shares	-	2	-	2
Receivables	27,000	23,890	27,000	23,890
Total	53,706	50,379	53,706	50,379
Financial Liabilities				
Payables	23,967	17,956	23,967	17,956
Queensland Treasury Corporation borrowings	14,440	7,675	14,525	7,732
Finance lease liabilities	-	751	-	751
Total	38,407	26,382	38,492	26,439
Financial Instruments - Consolidated				
Financial Assets				
Cash	27,830	28,601	27,830	28,601
Shares	-	2	-	2
Receivables	27,329	23,968	27,329	23,968
Total	55,159	52,571	55,159	52,571
Financial Liabilities				
Payables	24,409	18,111	24,409	18,111
Queensland Treasury Corporation borrowings	14,440	7,675	14,525	7,732
Finance lease liabilities	153	885	153	885
Total	39,002	26,671	39,087	26,728

31. Schedule of Administered Items

	2003 \$000	2002 \$000
Administered Revenues		
Commonwealth grants	28,746	29,307
Total	28,746	29,307
Administered Expenses		
Other	-	2
Total	-	2
Administered Assets		
<i>Current</i>		
Cash	-	11,703
Total	-	11,703
Administered Liabilities		
<i>Current</i>		
Payables	-	11,703
Total	-	11,703
Transfers to Government of Administered Revenue	28,746	29,305

CERTIFICATE OF THE DEPARTMENT OF EMPLOYMENT AND TRAINING

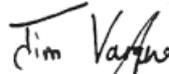
These general purpose financial statements have been prepared pursuant to section 40(1) of the Financial Administration and Audit Act 1977 (the Act), and other prescribed requirements. In accordance with Section 40(3) of the Act we certify that in our opinion:

- a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Department of Employment and Training for the financial year ended 30 June 2003 and of the financial position of the department at the end of that year.



Lynette Lamb
Acting Chief Financial Officer

9 / 9 / 2003



Jim Varghese
Director General

9 / 9 / 2003



INDEPENDENT AUDIT REPORT

To the Accountable Officer of the Department of Employment and Training

Scope

The financial statements

The financial statements include the consolidated financial statements of the economic entity comprising the Department of Employment and Training and the entities it controlled at the year's end or from time to time during the year. The financial statements consist of the statement of financial position, statement of financial performance, statement of cash flows, notes to and forming part of the financial statements and certificates given by the Accountable Officer and officer responsible for the financial administration of the Department of Employment and Training, for the year ended 30 June 2003

Accountable Officer's responsibility

The Accountable Officer is responsible for the preparation and true and fair presentation of the financial statements, the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial statements.

Audit approach

As required by law, an independent audit was conducted in accordance with QAO Auditing Standards to enable me to provide an independent opinion whether in all material respects the financial statements present fairly, in accordance with the prescribed requirements, including any mandatory financial reporting requirements as approved by the Treasurer for application in Queensland Audit procedures included -

- examining information on a test/sample basis to provide evidence supporting the amounts and disclosures in the financial statements,
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Accountable Officer,
- obtaining written confirmation regarding the material representations made in conjunction with the audit, and
- reviewing the overall presentation of information in the financial statements.

Independence

The Financial Administration and Audit Act 1977 promotes the independence of the Auditor-General and QAO authorised auditors. The Auditor-General is the auditor of all public sector entities and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which powers are to be exercised.

The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Audit Opinion

In accordance with section 40 of the Financial Administration and Audit Act 1977 -

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion -
 - (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the Statements have been drawn up so as to present a true and fair view, in accordance with the prescribed accounting standards of the transactions of the Department of Employment and Training and the economic entity for the financial year 1 July 2002 to 30 June 2003 and of the financial position as at the end of that year.



V P MANERA, FCPA
Deputy Auditor-General
(Delegate of the Auditor-General of Queensland)



Queensland Audit Office
Brisbane

TAFE institute and agricultural college locations





Department of **Employment and Training**
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