

QUEENSLAND BUDGET 2019–20

Service Delivery Statements

Department of the Premier and Cabinet
Office of the Governor
Public Service Commission
Queensland Audit Office

budget.qld.gov.au

2019–20 Queensland Budget Papers

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Appropriation Bills

Budget Highlights

The Budget Papers are available online at budget.qld.gov.au

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Service Delivery Statements

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Department of the Premier and Cabinet

Summary of portfolio

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Portfolio overview

Ministerial and portfolio responsibilities

The table below represents the agencies and services which are the responsibility of the Premier and Minister for Trade:

Premier and Minister for Trade The Honourable Anastacia Palaszcuk MP
--

Assistant Minister for Veterans' Affairs and Assistant Minister of State Jennifer Howard MP

Department of the Premier and Cabinet Acting Director-General: Rachel Hunter
Service area 1: Policy Advice and Coordination, and Cabinet Support
Service area 2: Strategy and Engagement
Service area 3: Government Services
Service area 4: Legislative Drafting and e-Publishing

The Premier and Minister for Trade is also responsible for:

Trade and Investment Queensland Acting Chief Executive Officer: Paul Martyn Objective: To contribute to economic and social benefits for Queensland by facilitating, supporting and encouraging trade, investment and other commercial opportunities for Queensland, including between Queensland and foreign countries.
--

Office of the Governor

Official Secretary: Air Commodore Mark Gower OAM

Objective: To enable His Excellency, the Governor, to exercise his statutory and constitutional, ceremonial, civic and social duties of office.

Public Service Commission

Commission Chief Executive: Robert Setter

Objective: To deliver high quality, community-focused policies, strategies, programs and advice to government on workforce, leadership and organisational matters that support Queensland Government agencies to deliver on their strategic vision, purpose and objectives.

Queensland Audit Office

Auditor-General: Brendan Worrall

Objective: To provide independent assurance and trusted advice about public sector performance, facilitating better public services.

Additional information about these agencies can be sourced from:

www.premiers.qld.gov.au

www.legislation.qld.gov.au

www.tiq.qld.gov.au

www.govhouse.qld.gov.au

www.psc.qld.gov.au

www.qao.qld.gov.au

Departmental overview

The Department of the Premier and Cabinet (DPC) is a responsive, effective and accountable department that serves the Premier and Cabinet and the people of Queensland. The department's vision is to make a positive difference for Queenslanders, now and in the future.

DPC contributes to the Government's objectives for the community *Our Future State: Advancing Queensland's Priorities*, working collaboratively in coordination, communication and monitoring and reporting roles as well as contributing directly to policy initiatives to deliver on each of the Government priorities:

- Create jobs in a strong economy
- Give all our children a great start
- Keep Queenslanders healthy
- Keep communities safe
- Protect the Great Barrier Reef
- Be a responsive government.

DPC's strategic objectives are to:

- Lead the policy development process across government, ensuring effective outcomes for Queenslanders
- Inform the strategic direction of government
- Ensure a strong system of government
- Maintain a high-performing and responsive workforce.

DPC operates in a complex environment focused on ensuring Queensland's social and economic prosperity. As a central point of resolution, collaborating across government and with our industry and community stakeholders, we deliver on the Government's priorities and objectives. This requires DPC to drive and steward innovative solutions to some of Queensland's most difficult policy problems, while seeking to advance Queensland's interests nationally and internationally. The department connects across government and across Queensland regions, to ensure that we meet these challenges and capitalise on strategic opportunities to make a positive difference to Queenslanders now and in the future.

In 2019-20, DPC will:

- provide innovative policy advice to government in response to key trends and issues and the attainment of the Government's priorities
- support the Government in areas such as:
 - building a strong and diverse Queensland economy by encouraging investment and innovation
 - continuing to support the advancement of renewable, reliable and low-cost energy supply including development of Queensland's hydrogen industry
 - coordinating and supporting the implementation of recommendations of the Queensland Anti-Cyberbullying Taskforce report and domestic and family violence prevention reforms
 - working collaboratively across government to address demand pressures impacting on the criminal justice system
 - responding to the challenges of climate change, collaborating to protect the Great Barrier Reef
 - supporting policy settings for the growth of a productive and prosperous food and fibre sector that will generate long-term jobs in regional Queensland
 - enhancing regional stakeholder engagement, including increasing the Government's regional presence and supporting Governing from the Regions
 - coordinating disaster management and counter-terrorism arrangements
 - overseeing local government integrity reform and accountability
 - supporting the veterans' community.

Service Performance

Performance Statement

Policy Advice and Coordination, and Cabinet Support

Service Area Objective

Lead the public sector to achieve strong policy outcomes for the Government and provide advice and support to the Premier and Cabinet.

Services

- Policy advice and coordination
- Cabinet support

Description

The service area provides comprehensive, coordinated policy advice to the Premier and Minister for Trade, Cabinet and the Assistant Minister for Veterans' Affairs and Assistant Minister for State, from design and development through to implementation and review. It also provides policy leadership across government and advances Government policy priorities. This service also provides support for the operation of Cabinet and its related processes, including the administration of all Cabinet information, and supports the Government's accountability to the Parliament.

The service area plays a vital role in ensuring the Government functions efficiently and effectively. It does this by supporting the Government to chart its strategic direction, progress its priorities, achieve its objectives for the community, and deliver its election commitments. The service area also responds to challenging and newly-emerging circumstances with state-wide impact and broader national interests. It consults and collaborates with other departments, all levels of government, non-government organisations, the private sector and other key stakeholders.

Sources of revenue

Total cost \$'000	State contribution \$'000	User charges & fees \$'000	C'wth revenue \$'000	Other revenue \$'000
48,952	43,645	..	..	5,307

Staffing^{1,2,3}

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
228	224	235

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate full-time equivalents are allocated across the service to which they relate.
3. Variance in FTEs is due to the cessation of 2018 Policy Graduate cohort and commencement of the 2020 Policy Graduate cohort and extension of the Criminal Justice Reform Framework Project Management Office.

2019-20 service area highlights

In 2019-20 Policy Advice and Coordination, and Cabinet Support will:

- support the Premier and Cabinet to deliver the Cabinet and Cabinet Committee agenda, Parliamentary legislative agenda and processes, Governing from the Regions program and the implementation, monitoring and reporting of government priorities and election commitments

- continue to support, coordinate and contribute to the delivery of the Government's objectives for the community, *Our Future State: Advancing Queensland's Priorities*
- coordinate policies to diversify Queensland's economy by facilitating investment and encouraging innovation
- continue to support the advancement of renewable, reliable and low-cost energy supply to support Queensland's community and industry growth, including supporting the growth and development of Queensland's hydrogen industry
- coordinate the implementation of recommendations of the Queensland Anti-Cyberbullying Taskforce report and support the operation of the Anti-Cyberbullying Advisory Committee
- develop the second Annual Progress Report on implementation of recommendations of the Royal Commission into Institutional Responses to Child Sexual Abuse
- work collaboratively across government to address demand pressures impacting on the criminal justice system, including more efficient court operations, more effective prosecution and defence processes, targeted remand and bail initiatives and strengthened rehabilitation programs
- continue to support and coordinate work to protect the environment, including the Great Barrier Reef
- support policy settings for the growth of a productive and prosperous food and fibre sector that will generate long-term jobs, underpinning the economies of our regional and rural communities
- coordinate Queensland's disaster management and counter-terrorism arrangements, including support for the Queensland Disaster Management Committee and the Queensland Security Cabinet Committee
- coordinate, deliver, and provide leadership on the implementation of domestic and family violence prevention reforms, including the operation of the Domestic and Family Violence Implementation Council
- support the delivery of initiatives by coordinating various advisory councils and taskforces, providing an opportunity for community leaders to work with the Queensland Government to help shape policy and initiatives.

Policy Advice and Coordination, and Cabinet Support	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
Service: Policy advice and coordination			
Service standards			
<i>Effectiveness measure</i>			
Client satisfaction with DPC engagement with the policy development process ^{1,2}	85%	74%	85%
<i>Efficiency measure</i>			
Total cost per hour of policy advice and development output ³	\$145/hour	\$138/hour	\$145/hour
Service: Cabinet support			
Service standards			
<i>Effectiveness measures</i>			
Client satisfaction with support provided by Cabinet Services ¹	85%	84%	85%
Client satisfaction with advice by DPC to agencies on performance management and reporting requirements ^{1,2}	85%	69%	85%
<i>Efficiency measure</i>			
Average cost of supporting the Cabinet to govern from the regions ⁴	\$15,000	\$14,842	\$15,000

Notes:

1. This service standard informs on overall satisfaction of the service and is derived from an annual client survey. Clients are Ministers, Chiefs of Staff, Directors-General and their departments' Cabinet Legislation and Liaison Officers and senior policy officers.
2. DPC is committed to strong customer satisfaction and sets targets to reflect this commitment. Results may fluctuate due to the contestable nature of much of DPC's work. DPC is committed to continuously improving service delivery and continues to implement strategies to achieve these targets.

3. This service standard informs on the total cost per hour for the provision of advice. The calculation methodology applied to determine average cost per hour is - the total operational expense per annual period, plus a percentage of centralised costs, divided by the total cumulative recurrent standard hours per annual period.
4. This service standard measures costs incurred by Cabinet Services in supporting Cabinet to govern from the regions and community receptions. Support costs include venue and equipment hire, and costs associated with departmental staff preparing for and attending the meeting/reception. In 2018-19 two Governing from the Regions meetings were held at Toowoomba and the Sunshine Coast. Travel costs are dependent on the location where the meeting/reception is held.

Strategy and Engagement

Service Area Objective

Inform the strategic direction of Government through the sharing of insights, research and engagement with the community, businesses and stakeholders.

Description

Strategy and Engagement takes a leadership role in driving innovative and whole-of-government policy, representing Queensland's best interests in intergovernmental matters, leading strategic communications, and providing protocol services to support external and international engagement for the Queensland Government.

Sources of revenue

Total cost \$'000	State contribution \$'000	User charges & fees \$'000	C'wth revenue \$'000	Other revenue \$'000
33,634	32,203	465	..	965

Staffing^{1,2,3}

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
106	114	113

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate full-time equivalents are allocated across the service to which they relate.
3. Variance in FTE is due to the engagement of Regional Co-ordinators as part of the Regional Office Initiative.

2019-20 service area highlights

In 2019-20, Strategy and Engagement will:

- lead innovative policy solutions that align with the Government's objectives and respond to emerging trends for the Queensland Government
- perform a leadership and coordination role across government to ensure Queensland is well positioned to address government-wide issues through intergovernmental forums, in particular the Council of Australian Governments (COAG)
- negotiate the best policy position for Queensland through the national engagement forums
- support delivery of federal funding arrangements for a range of key sectors, including the early childhood, school, vocational education and training, health, housing and energy sectors
- enhance regional stakeholder engagement and deliver on the Government's commitment to build strong regional economies and communities, including increasing the Government's regional presence and supporting regional forums
- drive greater connectivity and leadership across government by guiding the planning and delivery of whole-of-government communications strategy, including stakeholder and community engagement programs, advertising direction and crisis communication
- lead and advise best practice in event delivery and sponsorship strategy across government and administer the Events Sponsorship Fund and *Year of Outback Tourism Events Program* to drive economic and community benefit through the attraction, leveraging and delivery of high value events
- enhance the Government's international engagement program by leveraging existing relationships and developing new engagements and opportunities, through strategically focused trade missions and protocol events, working in partnership with other agencies.

Strategy and Engagement	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
Service standards			
<i>Effectiveness measures</i>			
Client satisfaction with advice and support relating to intergovernmental issues ¹	85%	71%	85%
Client satisfaction with advice and support provided by Strategy and Engagement ^{1,2}	85%	70%	85%
<i>Efficiency measure</i>			
Cost of strategic engagement services as a percentage of departmental cost ³	15%	14%	15%

Notes:

1. This service standard informs on overall satisfaction of the service and is derived from an annual client survey. Clients are Ministers, Chiefs of Staff, Directors-General and their departments' Cabinet Legislation and Liaison Officers and senior policy officers. DPC is committed to strong customer satisfaction and has set targets to reflect this commitment. Results may fluctuate due to the contestable nature of much of DPC's work. DPC is committed to continuously improving service delivery and continues to implement strategies to achieve these targets.
2. This service standard informs on overall satisfaction of strategic engagement activities (delivered by Communication Services, Protocol Queensland and Events Coordination business units).
3. This service standard informs on the overall cost of strategic engagement activities (delivered by Communication Services, Protocol Queensland and Events Coordination business units) as a percentage of the total departmental budget.

Government Services

Service Area Objective

Provide high level constitutional, legal and public administration support to the Premier and Cabinet as well as supporting Ministerial Offices and the Office of the Leader of the Opposition.

Description

The service area provides policy and operational advice and support to the Premier in relation to executive government and machinery of government matters, supports the administration of business before Executive Council, and provides support services to Ministerial Offices and the Office of the Leader of the Opposition. The service area also provides legal advice to the Premier and Director-General and coordinates legal representation for major litigation on a whole-of-government basis.

The service area is comprised of Appointments and Constitutional Services, Legal Services and Ministerial Services.

Sources of revenue

Total cost \$'000	State contribution \$'000	User charges & fees \$'000	C'wth revenue \$'000	Other revenue \$'000
19,909	17,158	2,718	..	33

Staffing^{1,2}

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
69	67	69

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate full-time equivalents are allocated across the service to which they relate.

2019-20 service area highlights

In 2019-20, Government Services will:

- support the Office for Women in achieving gender parity on Queensland Government boards by 2020
- deliver enhancements to the Queensland Register of Appointees to Government Bodies
- deliver a \$1.5 million grants program over three years from 2018-19 to 2020-21 to provide support services to veterans and to preserve and create memorials, monuments and other public sites that acknowledge veteran achievements
- develop, coordinate, and implement policies, programs and initiatives that support the Government's commitment to veterans.

Government Services	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
Service standards			
<i>Effectiveness measure</i>			
Client satisfaction with support and advice provided by Government Services ¹	85%	80%	85%
<i>Efficiency measure</i>			
Cost of Government Services as a percentage of departmental cost ²	8%	7%	8%

Notes:

1. This service standard informs on overall satisfaction of the service and is derived from an annual client survey. Clients are Ministers, Chiefs of Staff, Directors-General and their departments' Cabinet Legislation and Liaison Officers and senior policy officers. DPC is committed to strong customer satisfaction and sets targets to reflect this commitment. Results may fluctuate due to the contestable nature of much of DPC's work. DPC is committed to continuously improving service delivery and continues to implement strategies to achieve these targets.
2. This service standard informs on the overall cost of Government Services as a percentage of the total departmental budget.

Legislative Drafting and e-Publishing

Service Area Objective

To draft and provide access to Queensland legislation of the highest standard.

Description

Legislative Drafting and e-Publishing (LDeP), through the Office of the Queensland Parliamentary Counsel (OQPC), provides drafting and e-publishing services for Queensland legislation. This service supports parliamentary democracy in Queensland by drafting legislation, ensuring the statute book is of the highest standard, and arranging public access to legislation and legislative information. LDeP makes a special contribution by advising on the application of fundamental legislative principles to ensure legislation has sufficient regard to the rights and liberties of individuals and the institution of Parliament.

Sources of revenue

Total cost \$'000	State contribution \$'000	User charges & fees \$'000	C'wth revenue \$'000	Other revenue \$'000
12,443	12,409	..	..	34

Staffing^{1,2}

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
64	60	63

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate full-time equivalents are allocated across the service to which they relate.

2019-20 service area highlights

In 2019-20, LDeP will:

- support democracy and the Queensland Government's objectives for the community by providing high quality drafting services and timely delivery of the Government's legislative program
- support democracy by providing high quality drafting services for Bills and amendments of Bills as requested by private members
- contribute to the drafting of national scheme legislation and the work of the Australasian Parliamentary Counsel's Committee
- provide the authoritative source of current Queensland legislation by preparing consolidations of Queensland legislation, including indicative reprints, in a timely way and publishing this material on the Queensland legislation website
- enhance access to Queensland legislation and legislative information by:
 - continuing with public website developments to provide advanced functionality for website users, including additional subscriber notification options and user-generated reports and lists
 - providing legislation in open data format.

Legislative Drafting and e-Publishing	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
Service standards			
<i>Effectiveness measures</i>			
Client satisfaction with legislative drafting services provided by the Office of the Queensland Parliamentary Counsel ¹	85%	95%	90%
Client satisfaction with the quality of access to legislation available online ¹	85%	84%	90%
<i>Efficiency measure</i>			
Average cost per hour of legislative drafting and publishing output ²	\$145/hour	\$154/hour	\$150/hour

Notes:

1. This service standard informs on overall satisfaction with the service and is derived from an annual client survey. Clients are Ministers, Chiefs of Staff, Directors-General and their departments' Cabinet Legislation and Liaison Officers and senior policy officers.
2. This service standard informs on the average cost per hour to draft and publish Queensland legislation. The calculation methodology applied to determine the average cost per hour is the total operational expense per annual period, plus a percentage of centralised costs, divided by the total cumulative recurrent standard hours per annual period. The 2018-19 Estimated Actual is above the 2018-19 Target/Estimate due to a lower FTE estimate driven by temporary vacancies which impacted the average cost per hour. The 2019-20 Target/Estimate has increased as it is anticipated for 2019-20 the average cost per hour to draft and publish legislation is likely to increase from the 2018-19 Target/Estimate, due to expenditure increases across both employee and operational expenses.

Administered items

Administered activities are those undertaken by departments on behalf of the Government.

The Department of the Premier and Cabinet administers funds on behalf of the State which includes Ministerial Offices and the Office of the Leader of the Opposition. The key clients are Ministers, Assistant Ministers, the Leader of the Opposition and their respective staff.

The services provided are:

- support for Ministers to assist in undertaking their responsibilities as Ministers of the State
- management of advisory, secretarial and administrative staff and associated resources for all Ministerial Offices
- maintenance of procedures to ensure the financial accountability of these offices is in accordance with *The Queensland Ministerial Handbook*
- corporate support for the Office of the Leader of the Opposition.

The accounting, purchasing, information technology, telecommunications, asset management and personnel requirements for these administered areas are supplied by Ministerial Services within the Government Services area.

In 2019-20, administered funding will also be provided to the following entities:

- \$46.1 million for Trade and Investment Queensland.
- \$29.2 million for Screen Queensland.

Financial statements and variance explanations in relation to administered items appear in the Departmental Financial Statements. Further information can be obtained by referring to the Public Reports of office expenses tabled twice-yearly in Parliament.

Ministerial Offices and Office of the Leader of the Opposition

Staff by Office ¹	2018-19 Budget	2018-19 Est. Actual	2019-20 Estimate
Premier and Minister for Trade	34	34	34
Deputy Premier, Treasurer and Minister for Aboriginal and Torres Strait Islander Partnerships	17	17	17
Minister for State Development, Manufacturing, Infrastructure and Planning	11	11	11
Minister for Innovation and Tourism Industry Development and Minister for the Commonwealth Games	12	12	12
Attorney-General and Minister for Justice	11	11	11
Minister for Health and Minister for Ambulance Services	12	12	12
Minister for Education and Minister for Industrial Relations	12	12	12
Minister for Transport and Main Roads	12	12	12
Minister for Natural Resources, Mines and Energy	11	11	11
Minister for Housing and Public Works, Minister for Digital Technology and Minister for Sport	11	11	11
Minister for Employment and Small Business and Minister for Training and Skills Development	11	11	11
Minister for Environment and the Great Barrier Reef, Minister for Science and Minister for the Arts	10	10	10
Minister for Police and Minister for Corrective Services	10	10	10
Minister for Communities and Minister for Disability Services and Seniors	8	8	8
Minister for Agricultural Industry Development and Fisheries	9	9	9
Minister for Local Government, Minister for Racing and Minister for Multicultural Affairs	9	9	9
Minister for Child Safety, Youth and Women and Minister for the Prevention of Domestic and Family Violence	9	9	9
Minister for Fire and Emergency Services	8	8	8
Total Ministerial Offices	217	217	217
Assistant Minister for Veterans' Affairs and Assistant Minister of State	...	...	...
Assistant Minister for Treasury	...	...	...
Assistant Minister for State Development	...	...	...
Assistant Minister for Education	...	...	...
Assistant Minister for Tourism Industry Development	...	...	...
Total Assistant Ministers	0	0	0
Total for Ministerial Offices and Assistant Ministers	217	217	217
Office of the Leader of the Opposition	22	22	22

Total for Non-Government support	22	22	22
Corporate Support	...	...	...
GRAND TOTAL¹	239	239	239

Note:

1. Figures may not add due to rounding.

Budget and Expenses by Office¹	2018-19 Budget \$000	2018-19 Est. Actual \$000	2019-20 Estimate \$000
Premier and Minister for Trade	7,867	7,462	7,858
Deputy Premier, Treasurer and Minister for Aboriginal and Torres Strait Islander Partnerships	3,322	2,941	3,230
Minister for State Development, Manufacturing, Infrastructure and Planning	2,482	2,425	2,397
Minister for Innovation and Tourism Industry Development and Minister for the Commonwealth Games	2,225	1,981	2,239
Attorney-General and Minister for Justice	2,204	1,973	2,121
Minister for Health and Minister for Ambulance Services	2,316	2,249	2,253
Minister for Education and Minister for Industrial Relations	2,324	2,159	2,248
Minister for Transport and Main Roads	2,250	2,140	2,146
Minister for Natural Resources, Mines and Energy	2,087	1,980	2,045
Minister for Housing and Public Works, Minister for Digital Technology and Minister for Sport	2,107	1,998	2,025
Minister for Employment and Small Business and Minister for Training and Skills Development	2,089	1,918	2,019
Minister for Environment and the Great Barrier Reef, Minister for Science and Minister for the Arts	2,013	1,871	1,929
Minister for Police and Minister for Corrective Services	2,080	1,849	1,967
Minister for Communities and Minister for Disability Services and Seniors	1,852	1,614	1,785
Minister for Agricultural Industry Development and Fisheries	1,876	1,844	1,799
Minister for Local Government, Minister for Racing and Minister for Multicultural Affairs	1,914	1,700	1,852
Minister for Child Safety, Youth and Women and Minister for the Prevention of Domestic and Family Violence	1,858	1,691	1,770
Minister for Fire and Emergency Services	1,987	1,497	1,857
Total Ministerial Offices	44,853	41,293	43,541
Assistant Minister for Veterans' Affairs and Assistant Minister of State	65	26	58
Assistant Minister for Treasury	105	65	98
Assistant Minister for State Development	96	22	89
Assistant Minister for Education	92	20	85
Assistant Minister for Tourism Industry Development	68	20	61
Total Assistant Ministers	426	151	391
Total for Ministerial Offices and Assistant Ministers	45,279	41,445	43,932
Office of the Leader of the Opposition	3,749	3,459	3,882

Total for Non-Government support	3,749	3,459	3,882
Corporate Support	3,783	3,436	4,644
GRAND TOTAL	52,810	48,339	52,458

Note:

1. Figures may not add due to rounding.

Departmental budget summary

The table below shows the total resources available in 2019-20 from all sources and summarises how resources will be applied by service area and by controlled and administered classifications.

Department of the Premier and Cabinet	2018-19 Budget \$'000	2018-19 Est Actual \$'000	2019-20 Budget \$'000
CONTROLLED			
Income			
Appropriation revenue ¹			
Deferred from previous year/s	11,074	5,696	14,593
Balance of service appropriation	96,098	109,499	91,588
Other revenue	9,198	16,021	10,216
Total income	116,370	131,216	116,397
Expenses			
Policy Advice and Coordination, and Cabinet Support	44,621	41,431	48,952
Strategy and Engagement	35,971	44,596	33,634
Government Services	21,571	31,451	19,909
Legislative Drafting and e-Publishing	12,681	12,092	12,443
Other	1,526	1,646	1,459
Total expenses	116,370	131,216	116,397
Operating surplus/deficit	..	..	..
Net assets	7,318	7,318	10,116
ADMINISTERED			
Revenue			
Commonwealth revenue	..	..	..
Appropriation revenue	123,127	112,705	128,064
Other administered revenue	..	..	..
Total revenue	123,127	112,705	128,064
Expenses			
Transfers to government	..	..	..
Administered expenses	123,127	112,705	128,064
Total expenses	123,127	112,705	128,064
Net assets	5,140	4,974	4,974
CAPITAL			
Capital purchases			
Total plant and equipment ²	1,047	1,072	706
Total capital purchases³	1,047	1,072	706

Notes:

1. Includes State and Commonwealth funding.

2. Capital expenditure reflects investment by the department (including Ministerial Offices and the Office of the Leader of the Opposition) in upgrading multiple information and communication systems, with projects continuing into 2019-20 including the completion of the Joiners, Leavers and Movers System implementation and the department's intranet, and further enhancements to the records management system and Queensland Integrated Legislation Lifecycle System.
3. The department will not report a Capital Statement (Budget Paper 3) in 2019-20 due to a reporting threshold of \$1 million.

Budgeted financial statements

Analysis of budgeted financial statements

An analysis of the department's financial performance and position as reflected in the following financial statements is provided below.

Departmental income statement

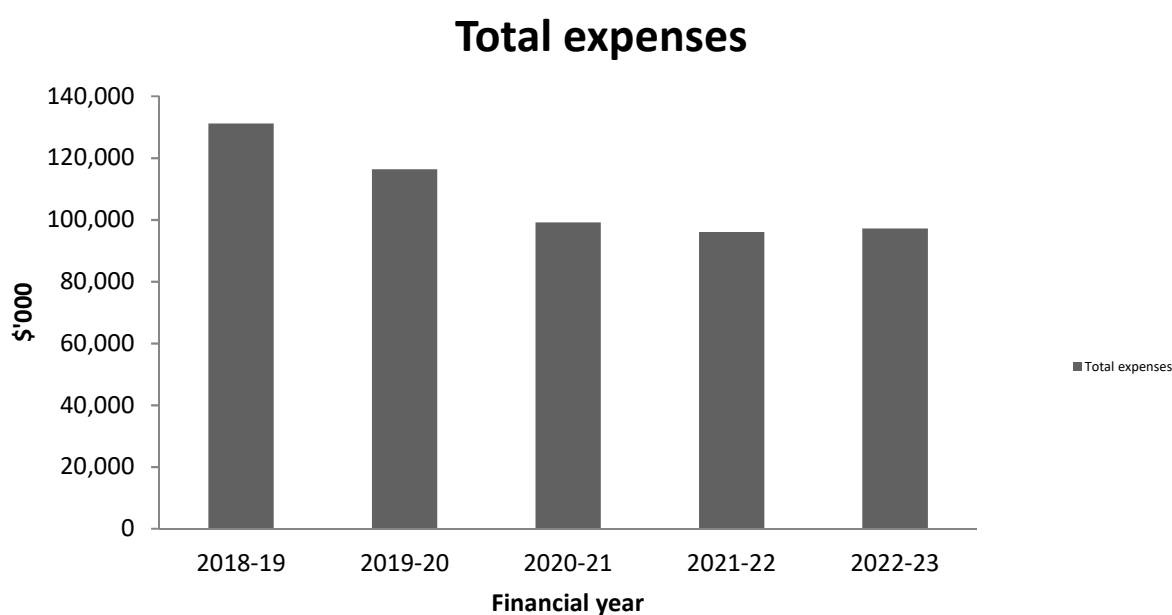
Total expenditure for the year ending 30 June 2019 is estimated to be \$131.2 million, an increase of \$14.8 million from the 2018-19 budget. The increase is primarily due to:

- a deferral of funding post 2018-19 budget to fund programs in line with Government priorities around ICE Awareness and Domestic and Family Violence. New funding was also provided through the Mid Year Fiscal and Economic Review for the Production Attraction Strategy (PAS) for the film industry in Queensland and additional funding for Criminal Youth Justice Reforms
- this increase was offset by a one-off transfer to the Department of Agriculture and Fisheries to assist the Government response to the Strawberry Tampering incident, the Drought Assistance Scheme and the deferral of several programs into the 2019-20 budget including Outback Regional Grants and the internal ICT replacement program.

The 2019-20 budget is \$116.4 million, a decrease of \$14.8 million from the 2018-19 Estimated Actual budget. The decrease is primarily due to:

- the rephasing of funding to Screen Queensland (SQ) for PAS to administered appropriation and the cessation of the Anzac Centenary Commemoration program
- this was offset by additional funding provided for Criminal Justice Reform Framework programs including Safer Communities Grants, as well as the Premier's Outback Events program, initiatives supporting veterans and the deferral of projects from 2018-19.

Chart: Total departmental expenses across the Forward Estimates period



Across the forward estimates there is a decrease in the department's expenditure as limited life projects are finalised.

Departmental balance sheet

Total departmental assets are estimated to be \$32.9 million at 30 June 2019, a decrease of \$3.6 million from the 2018-19 budget. The decrease is primarily due to the transfer of completed Anzac Legacy Projects to Arts Queensland.

The department's balance sheet is primarily represented by current assets and liabilities, reflecting the accrued position as at year end. The net asset position will remain consistent, with movements primarily resulting from the effects timing of receipts and payments.

Controlled income statement

Department of the Premier and Cabinet	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
INCOME				
Appropriation revenue	1,7	107,172	115,195	106,181
Taxes		..	..	..
User charges and fees	8	3,271	3,410	3,876
Royalties and land rents		..	..	..
Grants and other contributions	2,9	1,436	8,116	844
Interest and distributions from managed funds		400	400	396
Other revenue	10	4,091	4,095	5,100
Gains on sale/revaluation of assets		..	..	..
Total income		116,370	131,216	116,397
EXPENSES				
Employee expenses	11	55,321	57,624	61,113
Supplies and services	3	33,141	35,010	33,531
Grants and subsidies	4,12	22,167	36,298	12,672
Depreciation and amortisation	5	548	342	345
Finance/borrowing costs		400	400	396
Other expenses	6,13	4,793	1,542	8,340
Losses on sale/revaluation of assets		..	..	..
Total expenses		116,370	131,216	116,397
OPERATING SURPLUS/(DEFICIT)		..	..	..

Controlled balance sheet

Department of the Premier and Cabinet	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
CURRENT ASSETS				
Cash assets	14,20	3,893	8,055	10,844
Receivables	15	5,932	13,394	13,005
Other financial assets		..	..	..
Inventories		..	..	..
Other		588	588	618
Non-financial assets held for sale		..	..	..
Total current assets		10,413	22,037	24,467
NON-CURRENT ASSETS				
Receivables	16,21	20,777	8,007	..
Other financial assets		..	..	..
Property, plant and equipment	17	2,917	151	82
Intangibles		2,394	2,725	3,181
Other		..	..	..
Total non-current assets		26,088	10,883	3,263
TOTAL ASSETS		36,501	32,920	27,730
CURRENT LIABILITIES				
Payables	18	3,606	5,047	5,130
Accrued employee benefits		2,243	2,473	2,980
Interest bearing liabilities and derivatives	15,22	1,715	7,532	9,059
Provisions		..	..	..
Other		29	445	445
Total current liabilities		7,593	15,497	17,614
NON-CURRENT LIABILITIES				
Payables	19,23	813	2,098	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives	16,24	20,777	8,007	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		21,590	10,105	..
TOTAL LIABILITIES		29,183	25,602	17,614
NET ASSETS/(LIABILITIES)		7,318	7,318	10,116
EQUITY				
TOTAL EQUITY		7,318	7,318	10,116

Controlled cash flow statement

Department of the Premier and Cabinet	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts		107,006	92,243	108,273
User charges and fees		3,343	3,664	3,991
Royalties and land rent receipts	
Grants and other contributions		1,436	8,116	844
Interest and distribution from managed funds received	
Taxes	
Other		7,298	9,793	10,518
Outflows:				
Employee costs		(55,442)	(57,498)	(60,627)
Supplies and services		(36,056)	(40,869)	(41,093)
Grants and subsidies		(22,337)	(47,617)	(12,672)
Borrowing costs	
Other		(4,865)	(1,651)	(8,581)
Net cash provided by or used in operating activities		383	(33,819)	653
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets	
Investments redeemed	
Loans and advances redeemed		15,789	11,502	8,853
Outflows:				
Payments for non-financial assets		(597)	(622)	(662)
Payments for investments	
Loans and advances made		(15,000)	(4,306)	(2,373)
Net cash provided by or used in investing activities		192	6,574	5,818
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		15,000	4,306	2,373
Equity injections		..	(2,798)	..
Outflows:				
Borrowing redemptions		(15,789)	(11,502)	(8,853)
Finance lease payments	
Equity withdrawals		..	2,798	2,798
Net cash provided by or used in financing activities		(789)	(7,196)	(3,682)
Net increase/(decrease) in cash held		(214)	(34,441)	2,789
Cash at the beginning of financial year		4,107	42,496	8,055
Cash transfers from restructure	
Cash at the end of financial year		3,893	8,055	10,844

Administered income statement

Department of the Premier and Cabinet	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
INCOME				
Appropriation revenue	25,28	123,127	112,705	128,064
Taxes		..	..	..
User charges and fees		..	..	..
Royalties and land rents		..	..	..
Grants and other contributions		..	..	..
Interest and distributions from managed funds		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		123,127	112,705	128,064
EXPENSES				
Employee expenses	26,29	33,612	29,711	34,446
Supplies and services		18,759	18,459	17,548
Grants and subsidies	27,30	70,167	64,216	75,462
Depreciation and amortisation		424	229	424
Finance/borrowing costs		..	..	..
Other expenses		165	90	184
Losses on sale/revaluation of assets		..	..	..
Transfers of Administered Revenue to Government		..	..	..
Total expenses		123,127	112,705	128,064
OPERATING SURPLUS/(DEFICIT)		..	..	..

Administered balance sheet

Department of the Premier and Cabinet	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
CURRENT ASSETS				
Cash assets	33	8,612	8,522	9,645
Receivables	31	1,141	3,317	3,317
Other financial assets		..	..	..
Inventories		..	..	..
Other		26	23	23
Non-financial assets held for sale		..	..	..
Total current assets		9,779	11,862	12,985
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		811	739	615
Intangibles		253	201	201
Other		..	..	..
Total non-current assets		1,064	940	816
TOTAL ASSETS		10,843	12,802	13,801
CURRENT LIABILITIES				
Payables		1,600	1,475	1,475
Transfers to Government payable		..	..	..
Accrued employee benefits	32	2,422	1,441	1,440
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		4,022	2,916	2,915
NON-CURRENT LIABILITIES				
Payables		994	2,576	2,576
Accrued employee benefits	32,34	687	2,336	3,336
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		1,681	4,912	5,912
TOTAL LIABILITIES		5,703	7,828	8,827
NET ASSETS/(LIABILITIES)		5,140	4,974	4,974
EQUITY				
TOTAL EQUITY		5,140	4,974	4,974

Administered cash flow statement

Department of the Premier and Cabinet	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts		123,127	112,782	128,064
User charges and fees	
Royalties and land rent receipts	
Grants and other contributions	
Interest and distribution from managed funds received	
Taxes	
Other		..	42	(256)
Outflows:				
Employee costs		(33,612)	(31,776)	(33,447)
Supplies and services		(18,759)	(18,459)	(17,548)
Grants and subsidies		(70,167)	(64,475)	(75,462)
Borrowing costs	
Other		(165)	(90)	(184)
Transfers to Government	
Net cash provided by or used in operating activities		424	(1,976)	1,167
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets	
Investments redeemed	
Loans and advances redeemed	
Outflows:				
Payments for non-financial assets		(450)	(450)	(44)
Payments for investments	
Loans and advances made	
Net cash provided by or used in investing activities		(450)	(450)	(44)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	
Equity injections	
Outflows:				
Borrowing redemptions	
Finance lease payments	
Equity withdrawals	
Net cash provided by or used in financing activities	
Net increase/(decrease) in cash held		(26)	(2,426)	1,123
Cash at the beginning of financial year		8,638	10,948	8,522
Cash transfers from restructure	
Cash at the end of financial year		8,612	8,522	9,645

Explanation of variances in the financial statements

Income statement

Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

1. An increase in appropriation revenue primarily due to post budget deferral of funding for the Screen Queensland (SQ) Production Attraction Strategy (PAS), the Events Sponsorship Fund (ESF) and Social Cohesion, ICE Awareness and Domestic and Family Violence (DFV) Initiatives as well as internal ICT device replacement. New funding was also provided through the 2018-19 Mid Year Fiscal and Economic Review for PAS, and additional funding for Criminal Justice System Reform Framework - Program Management Office (CJSRF - PMO) and reimbursement of legal costs for the 2011 Queensland Floods Class Action. This was offset by a one off transfer to the Department of Agriculture and Fisheries to assist the Government response to the Strawberry Tampering Incident, the Drought Assistance Scheme and to SQ to support the infrastructure program for the Screen Production Facility and transfer of the Social Cohesion function to the Department of Communities and Disabilities Services and Seniors (DCDSaS). Funding has also been deferred to 2019-20 for limited life initiatives for Outback Regional Grants and Events programs, ICE Awareness, Alcohol Fuelled Violence, ESF, DFV and internal ICT device replacement and enhancement projects.
2. An increase in grants and other contributions is due to the receipt of Commonwealth contributions from the Department of Veterans Affairs (DVA) for Anzac Legacy Projects.
3. An increase in supplies and services primarily due to additional legal expenses for the 2011 Queensland Floods Class Action, costs for the CJSRF - PMO, the Commission of Inquiry for the Procurement for New Generation Rollingstock, offset by rescheduling of limited life projects.
4. An increase in grants and subsidies primarily due to additional commitments provided by the PAS, Safer Communities Grants Program, Anzac Centenary Commemoration Unit (ACCU) Legacy Projects and offset by the transfer of the Social Cohesion function to DCDSaS.
5. A decrease in depreciation and amortisation due to a delay in the completion of ICT capital projects, thereby reducing the period of depreciation for the current year.
6. A decrease in other expenses due to deferral of funding to meet the timing of milestone commitments for the ESF and final year commitments for ACCU.

Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

7. A decrease in appropriation revenue primarily due to the re-phasing of funding for the PAS to SQ to administered appropriation, and cessation of the Anzac Centenary Commemoration program offset by additional funding provided for CJSRF initiatives, the Premier's Outback Events program, initiatives supporting veterans and the deferral of projects.
8. An increase in user charges and fees for IT services provided to Ministerial Offices and Office of the Leader of the Opposition, partially offset by a reduction in revenue for external drafting services provided to other state jurisdictions.
9. A decrease in grants and other contributions reflecting the cessation of funding from DVA for Anzac Legacy projects.
10. An increase in other revenue due to contributions required to meet the cost recoveries from Queensland Government agencies for the Policy Graduate Program which is operating at the targeted capacity of two cohorts.
11. An increase in employee expenses primarily due to enterprise bargaining arrangements.
12. A decrease in grants and subsidies primarily due to the transfer of funding for the PAS to SQ from administered income and cessation of the Anzac Centenary Commemoration program.
13. An increase in other expenses primarily due to the deferral of ESF.

Balance sheet

Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

14. An increase in cash assets due to additional grant revenue received and higher than anticipated payables at year end.
15. An increase in current receivables representing commitments for the Revolving Film Finance Fund (RFFF) that will be due for repayment in 2019-20.
16. A decrease in non-current receivables representing commitments for the RFFF that will be due for repayment in 2019-20.
17. A decrease in property, plant and equipment due to the transfer of completed Anzac Legacy projects to Arts Queensland (AQ).
18. An increase in current payables primarily due to timing of grant payments.
19. An increase in non-current payables reflecting the straight-line accounting policy for the department's lease agreements in accordance with Financial Reporting Requirements and Australian Accounting Standards.

Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

20. An increase in cash assets due to timing of payables at year end.
21. A decrease in non-current receivables due to the anticipated reduction in long-term RFFF loan receivable commitments for the current loan portfolio.
22. An increase in current interest-bearing liabilities and derivatives due to reduction in long-term liability commitments representing RFFF loans that will be due for repayment in 2019-20.
23. A decrease in non-current payables reflecting the change to straight-line accounting policy for the department's lease agreements in accordance with Financial Reporting Requirements due to the introduction of a new Australian Accounting Standard for Leases AASB 16.
24. A decrease in non-current interest bearing liabilities and derivatives due to reduction in long-term liability commitments representing RFFF loans that will be due for repayment in 2019-20.

Administered income statement

Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

25. A decrease in appropriation revenue primarily due to the deferral of funding of Ministerial Offices and Office of the Leader of the Opposition derived by lower employee expenses due to short term vacancies and for Trade & Investment Queensland (TIQ) rephasing delivery of several strategic initiatives from 2018-19 through to the 2020-21 financial year. The decrease is partially offset by additional funding to Screen Queensland (SQ) for development of the Screen Production Facility at Hemmant and adjustment for foreign exchange impacts for TIQ.
26. A decrease in employee expenses due to short-term vacancies in Ministerial Offices.
27. A decrease in grants and subsidies due to TIQ rephasing delivery of several strategic initiatives from 2018-19 through to the 2020-21 financial year, offset by additional funding to SQ for development of the Screen Production Facility at Hemmant.

Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

28. An increase in appropriation revenue primarily due to the additional funding for the SQ PAS, including establishment of a new Screen Investment Fund and support for the Post, Digital and Visual Effects incentive program and the Queensland video gaming industry, new funding providing support for the ongoing curation and oversight of Anzac Square and TIQ rephasing delivery of several strategic initiatives through to the 2020-21 financial year, partially offset by saving reprioritisations.
29. An increase in employee expenses due to recruitment processes to fill vacancies for 2019-20 and enterprise bargaining arrangements.
30. An increase in grants and subsidies primarily due to the additional funding for SQ PAS, including establishment of a new Screen Investment Fund and support for the Post, Digital and Visual Effects and other programs.

Administered balance sheet

Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

31. An increase in current receivables due the introduction of a straight-line accounting policy for lease agreements in accordance with Financial Reporting Requirements and Australian Accounting Standards.
32. A decrease in current accrued employee benefits and subsequent increase in non-current accrued employee benefits due to movements in the severance provisions for Ministerial Offices and Office of the Leader of the Opposition.

Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

33. An increase in cash assets primarily due to the deferral of investment in capital assets to 2020-21.
34. An increase in non-current accrued employee benefits primarily due to movements in the severance provisions for Ministerial Offices and Office of the Leader of the Opposition.

Statutory body

Trade and Investment Queensland

Overview

Trade and Investment Queensland (TIQ) is the Queensland Government's dedicated global business agency for trade and investment promotion.

TIQ's vision is a prosperous future for Queensland underpinned by diversified exports and high-value international investments that create jobs and sustain a strong, vibrant and innovative economy.

TIQ's objectives are to: position Queensland globally for success grow diversified exports attract job creating international investment attract and develop talent to grow Queensland promote regional success through global links and deliver an exceptional service from a high-performing organisation.

These objectives are achieved through the delivery of Queensland's whole-of-government trade and investment strategy *Advancing Trade and Investment – Queensland Trade and Investment Strategy 2017-2022*, and the *International Education and Training Strategy to Advance Queensland 2016-2026*.

TIQ contributes to the Government's objectives for the community *Our Future State: Advancing Queensland's Priorities*:

- Create jobs in a strong economy by:
 - contributing to jobs by attracting vital investment to the State through international networks and activities on and offshore
 - supporting the growth of Queensland exporting businesses to increase jobs in the State and contribute to the dynamism of the Queensland economy
 - contributing to a diversified and innovative economy by providing support across key sectors as well as for emerging industries.
- Be a responsive government by:
 - delivering integrated, responsive and quality export and investment services to Queensland's business community and international buyers and investors, by coordinating across government and providing a consistent and high-quality offering
 - supporting Queensland's regional communities by providing locally relevant and responsive services through regional networks and upskilling regional export and investment capabilities through targeted programs.

Service summary

TIQ is leading the implementation of two whole-of-government strategies. The first strategy, the *Advancing Trade and Investment – Queensland Trade and Investment Strategy 2017-2022*, aims to use Queensland's natural and acquired strengths to tap into opportunities in international markets. The second strategy, the *International Education and Training Strategy to Advance Queensland 2016-2026*, articulates the Queensland Government's vision for the international education and training industry.

These two strategies guide efforts to promote trade and investment opportunities throughout the State and across the globe and help attain our performance targets.

Service performance

Trade and Investment Missions

Service Area Objective

To use government and industry missions and events internationally to promote Queensland as an ideal location for trade, investment, study and migration.

Description

Global competition for trade and investment is fiercely competitive. Through its international network, TIQ supports a Team Queensland approach to promoting the State as an ideal place for trade, investment, study and migration. TIQ works with a range of partners, including the Australian Government, other Queensland Government agencies, councils, economic development bodies, bilateral chambers of commerce, professional advisers, business, and industry to enhance the State's reputation and influence globally.

Missions led by a Queensland Government Minister are key tools to assist Queensland businesses to enter markets and identify business opportunities to which they may otherwise not have access.

Similarly, for investment, missions led by Ministers provide Queensland-based investment projects with increased visibility and access to high-quality international investors. These missions specifically target potential investors and highlight the benefits of investing in our State's priority sectors.

TIQ's mission program supports Ministerial trade and investment missions and official visits including those for the Governor and the Leader of the Opposition. Programs are developed based on government priorities, market opportunities and business capability.

Through consultation with other government agencies and stakeholders, programs including in-market meetings, events and receptions are designed to provide an opportunity to develop stronger government-to-government and business relationships and increase trade and investment outcomes for Queensland businesses.

TIQ also works with partners to develop pitches to promote Queensland and holds events and showcases in-market.

Staffing^{1,2,3}

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
41	41	41

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Trade and Investment Queensland (TIQ) employs 136 FTEs in Queensland as at 30 June. It is estimated that 30% of TIQ's FTEs (equating to 41 FTEs) are utilised directly or indirectly delivering this service area.
3. TIQ also employs a further 69.40 FTEs across its international network in 16 offices across 12 countries under Locally Engaged Staff (LES) conditions. These LES are not accounted for in the MOHRI data reported by Government. Adopting the same methodology as used with MOHRI data, it is estimated that 30% (or 21) of these overseas based FTEs are either directly or indirectly contributing to this service area.

Trade and Investment Missions	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
Service standards			
<i>Effectiveness measure</i>			
Overall level of satisfaction of Ministerial mission participants with the missions delivered by TIQ ¹	75%	90%	80%
<i>Efficiency measure</i>			
Cost per hour of Ministerial mission coordination ²	\$105.00	\$105.00	\$105.00

Notes:

1. This service standard measures the level of satisfaction with the timeliness and consistency of advice and services to produce an overall satisfaction result. Ministerial mission participants include Queensland Ministers, Directors-General, ministerial and departmental officers

and Queensland business delegates. The target for 2019-20 has been increased to reflect the agency's reviewed focus on providing an exceptional service to Queensland's business community, international buyers and investors, and government partners. An increase to 80% has been set for all client satisfaction targets based on previous performance and a transition to new strategic objectives in the 2019-20 reporting period.

2. This service standard measures costs incurred by Trade and Investment Missions in supporting overseas Ministerial missions and Governor's visits. Costs include full-time equivalent salaries of TIQ Queensland-based staff, with a primary focus on the planning and delivery of Ministerial-led overseas missions and Governor visit programs, divided by the number of hours taken to deliver these services.

Trade and Investment Services

Service Area Objective

To facilitate trade and investment opportunities for Queensland businesses and encourage investment in Queensland.

Description

International trade and investment is vital for Queensland's economy - one in five Queensland jobs rely on exports. TIQ, through its network of international offices in 12 key markets, and its Queensland-based experts on international business, works to both encourage diversified exports and foreign direct investment into the Queensland economy.

Key services include:

- providing timely, high quality advice to Queensland Government stakeholders on trade and investment policy development, coordination and implementation and other trade and investment matters
- building the capability of globally ambitious businesses to succeed offshore
- creating awareness within the Queensland business community of export and investment opportunities
- building networks between current and potential exporters from Queensland to enhance chances of international success
- promoting significant economic opportunities from across Queensland to international investors
- building and maintaining relationships with key international investors to create opportunities for inbound investment to Queensland
- promoting Queensland-based exporters to potential customers through TIQ's global network
- providing market, sector and general business intelligence to clients in order for them to progress their international business dealings.

TIQ works in partnership with a range of stakeholders to deliver these services.

Staffing^{1,2,3}

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
95	95	95

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Trade and Investment Queensland (TIQ) employs 136 FTEs in Queensland as at 30 June. It is estimated that 70% of TIQ's FTEs (equating to 95 FTEs) are utilised directly or indirectly delivering this service area.
3. TIQ also employs a further 69.40 FTEs across its international network in 16 offices across 12 countries under Locally Engaged Staff (LES) conditions. These LES are not accounted for in the MOHRI data reported by Government. Adopting the same model as above, it is estimated that 30% (or 21) of these overseas based FTEs are either directly or indirectly contributing to this service area.

Trade and Investment Services	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
Service standards			
<i>Effectiveness measures</i>			
Overall client satisfaction with advice and/or support provided to a Queensland organisation seeking to export a good or service ^{1,2}	75%	84%	80%
Overall client satisfaction of investment clients assisted by TIQ ^{1,2}	75%	89%	80%
Proportion of clients assisted by TIQ who report at least moderate progress in their international business dealings ³	75%	73%	75%
Overall government stakeholder satisfaction with advice and support on intragovernmental issues in trade and investment promotion ^{2,4}	75%	76%	80%

Trade and Investment Services	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
<i>Efficiency measures</i>			
Cost per export lead ⁵	\$5,600	\$6,000	\$5,600
Cost per investment lead ⁶	\$19,700	\$20,000	\$19,700

Notes:

1. This service standard provides an overall satisfaction level informed by the quality, timeliness and support provided by TIQ and is derived from client surveys. Responses relate to averaged overall score on a 1 to 5 scale, (1 = very dissatisfied, 2 = dissatisfied, 3 = neutral, 4 = moderately satisfied, 5 = very satisfied), with the raw score converted to a percentage.
2. The target for 2019-20 has been increased to reflect the agency's renewed focus on providing an exceptional service to Queensland's business community, international buyers and investors, and government partners. An increase to 80% has been set for all client satisfaction targets based on previous performance and a transition to new strategic objectives in the 2019-20 reporting period.
3. This measure reports the percentage of clients who are satisfied that, with TIQ assistance, they have progressed their international business dealings either moderately or significantly. Performance is based on the percentage of responses which scored either a moderate assistance or significant assistance (either 4 or 5 on a 1-5 point scale) where 1 = no assistance, 2 = limited assistance, 3 = neutral, 4 = moderate assistance, 5 = significant assistance.
4. This service standard provides an overall satisfaction level with the quality, timeliness and support provided by TIQ and is derived from an annual client survey. Government stakeholders include Queensland Government Ministers, Directors-General and their agencies. Responses relate to averaged overall score on a 1 to 5 scale, (1 = very dissatisfied, 2 = dissatisfied, 3 = neutral, 4 = moderately satisfied, 5 = very satisfied), with the raw score converted to a percentage.
5. This measure represents costs associated with TIQ's facilitation of export opportunities for Queensland companies. Calculation of performance is based on costs of salaries and discretionary budget of business-facing teams which facilitate export opportunities for Queensland businesses divided by the number of export opportunities created. Performance for 2018-19 is based on the recording of 502 export leads as at 30 April 2019. This figure is below the year to date target expected to achieve the full year performance target.
6. This measure represents costs associated with TIQ's facilitation of investment opportunities for foreign investors. Calculation of performance is based on costs of salaries and discretionary budget of business-facing teams which facilitate investment opportunities for Queensland divided by the number of investment opportunities created. For 2018-19 is based on the recording of 119 investment leads as at 30 April 2019. This figure is below the year to date target expected to achieve the full year performance target.

Income statement

Trade and Investment Queensland	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
INCOME				
Taxes		..	..	..
User charges and fees		729	729	729
Grants and other contributions	1,3	47,881	40,933	46,453
Interest and distributions from managed funds		75	75	75
Other revenue		300	300	300
Gains on sale/revaluation of assets		..	..	..
Total income		48,985	42,037	47,557
EXPENSES				
Employee expenses		25,804	25,804	25,925
Supplies and services	2,4	21,637	14,689	20,088
Grants and subsidies		1,200	1,200	1,200
Depreciation and amortisation		200	200	200
Finance/borrowing costs		..	..	..
Other expenses		144	144	144
Losses on sale/revaluation of assets		..	..	..
Total expenses		48,985	42,037	47,557
OPERATING SURPLUS/(DEFICIT)		..	..	..

Balance sheet

Trade and Investment Queensland	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
CURRENT ASSETS				
Cash assets		3,138	3,947	4,147
Receivables		1,113	1,227	1,227
Other financial assets	
Inventories	
Other		845	896	896
Non-financial assets held for sale	
Total current assets		5,096	6,070	6,270
NON-CURRENT ASSETS				
Receivables		419	585	585
Other financial assets	
Property, plant and equipment		439	377	257
Intangibles		160	120	40
Other	
Total non-current assets		1,018	1,082	882
TOTAL ASSETS		6,114	7,152	7,152
CURRENT LIABILITIES				
Payables		1,077	1,088	1,088
Accrued employee benefits		938	1,042	1,042
Interest bearing liabilities and derivatives	
Provisions	
Other		9	53	53
Total current liabilities		2,024	2,183	2,183
NON-CURRENT LIABILITIES				
Payables	
Accrued employee benefits		414	355	355
Interest bearing liabilities and derivatives	
Provisions	
Other		..	587	587
Total non-current liabilities		414	942	942
TOTAL LIABILITIES		2,438	3,125	3,125
NET ASSETS/(LIABILITIES)		3,676	4,027	4,027
EQUITY				
TOTAL EQUITY		3,676	4,027	4,027

Cash flow statement

Trade and Investment Queensland	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees		729	729	729
Grants and other contributions		47,881	40,933	46,453
Interest and distribution from managed funds received		75	75	75
Taxes	
Other		300	300	300
Outflows:				
Employee costs		(25,804)	(25,804)	(25,925)
Supplies and services		(21,637)	(14,689)	(20,088)
Grants and subsidies		(1,200)	(1,200)	(1,200)
Borrowing costs	
Other		(144)	(144)	(144)
Net cash provided by or used in operating activities		200	200	200
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets	
Investments redeemed	
Loans and advances redeemed	
Outflows:				
Payments for non-financial assets	
Payments for investments	
Loans and advances made	
Net cash provided by or used in investing activities	
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	
Equity injections	
Outflows:				
Borrowing redemptions	
Finance lease payments	
Equity withdrawals	
Net cash provided by or used in financing activities	
Net increase/(decrease) in cash held		200	200	200
Cash at the beginning of financial year		2,938	3,747	3,947
Cash transfers from restructure	
Cash at the end of financial year		3,138	3,947	4,147

Explanation of variances in the financial statements

Income statement

Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

1. A decrease in grants and other contributions income due to rephasing initiatives from 2018-19 through to the 2020-21 financial year.
2. A decrease in supplies and services expenditure due to rephasing initiatives from 2018-19 through to the 2020-21 financial year.

Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

3. An increase in grants and other contributions income due to rephasing initiatives from 2018-19 through to the 2020-21 financial year.
4. An increase in supplies and services expenditure due to rephasing initiatives from 2018-19 through to the 2020-21 financial year.



Queensland
Government

Office of the Governor

Departmental overview

The *Constitution of Queensland 2001* provides that there must be a Governor of Queensland who is appointed by the Sovereign. The Governor is authorised and required to do all things that belong to the Governor's office under any law. This will be the sixth year in office for His Excellency the Honourable Paul de Jersey AC.

While the Governor as the representative of The Queen, who is the Head of State in Queensland, does not participate in the political process, it is the main constitutional responsibility of the Governor to ensure that the State continues to have a stable government which commands the popular support of the Parliament.

As an independent entity, the Office of the Governor (the Office) provides executive, administrative, logistical and personal support that enables the Governor to exercise effectively the constitutional powers and responsibilities of office, and to undertake constitutional and ceremonial duties and community activities. The autonomous nature of the Office is consistent with the Governor's role to function with political neutrality. The Office also maintains the Government House Estate, in partnership with the Department of Housing and Public Works.

Service Performance

Performance Statement

Office of the Governor

Service Area Objective

To enable His Excellency, the Governor, to exercise his statutory and constitutional, ceremonial, civic, and social duties of office.

Description

The Office provides executive, administrative, logistical and personal support to the Governor and manages the Government House Estate.

Staffing¹

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
44	45	45

Note:

1. Full-time equivalents (FTEs) as at 30 June.

2019-20 service area highlights

In 2019-20, the Office will continue to provide support for the:

- Governor's constitutional and legal responsibilities of office through high quality policy advice and executive support
- Governor's ceremonial responsibilities of office, in particular the Australian Honours and Awards System and other ceremonial parades and military ceremonies
- Governor's program of civic engagements at Government House within the community along with educating the community about the role of the Governor and promoting community organisations through His Excellency's patronage
- Governor's commitment to promote Queensland's produce, culture, trade and business initiatives
- hosting of significant visitors to Government House
- Governor and Acting or Deputy Governor at times when the Governor acts as Administrator of the Commonwealth
- efficient and effective stewardship of Government House and the Estate.

Office of the Governor	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
Service standards			
<i>Effectiveness measures</i>			
Client satisfaction with support provided to the Governor on constitutional, legal and ceremonial duties of office ¹	90%	90%	90%
Visits to Queensland Regional Centres ²	45	70	45
Increase in the number of visitors to Government House ³	10%	-32%	10%
Percentage of menu items featuring Queensland produce as its main element ⁴	80%	95%	80%
Client satisfaction with presentation of gardens and grounds ⁵	85%	90%	90%

Office of the Governor	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
<i>Efficiency measure⁶</i>			

Notes:

1. This service standard aims to measure satisfaction with the Office of the Governor's support provided to the Governor.
2. This service standard aims to measure the effectiveness of the Governor's endeavours to support and promote Queensland's regions in accordance with the pledge His Excellency made at his Swearing-in in 2014 to visit the people of all communities within the State. Increased visits are in response to natural disasters across the State in 2018-19. Further detail on this measure is provided in the Office of the Governor Annual Report.
3. This service standard indicates the level of public engagement with the Governor and Government House. The term visitors includes all who participate in the Government House visit program and other events open to the public, such as the Christmas lights display, Open Day and Government House involvement in Brisbane Open House. The 2018-19 Estimated Actual is lower than the 2018-19 Target/Estimate due to the weather negatively affecting attendance at both the Christmas lights display and the Open Day.
4. This measure of effectiveness demonstrates the Office's support to the Governor in promoting Queensland through ensuring Queensland produce is a main feature of the food served at Government House functions.
5. This service standard aims to measure overall satisfaction with the Office's management of the Government House Estate.
6. An efficiency measure is being developed for this service area and will be included in a future *Service Delivery Statement*.

Budgeted financial statements

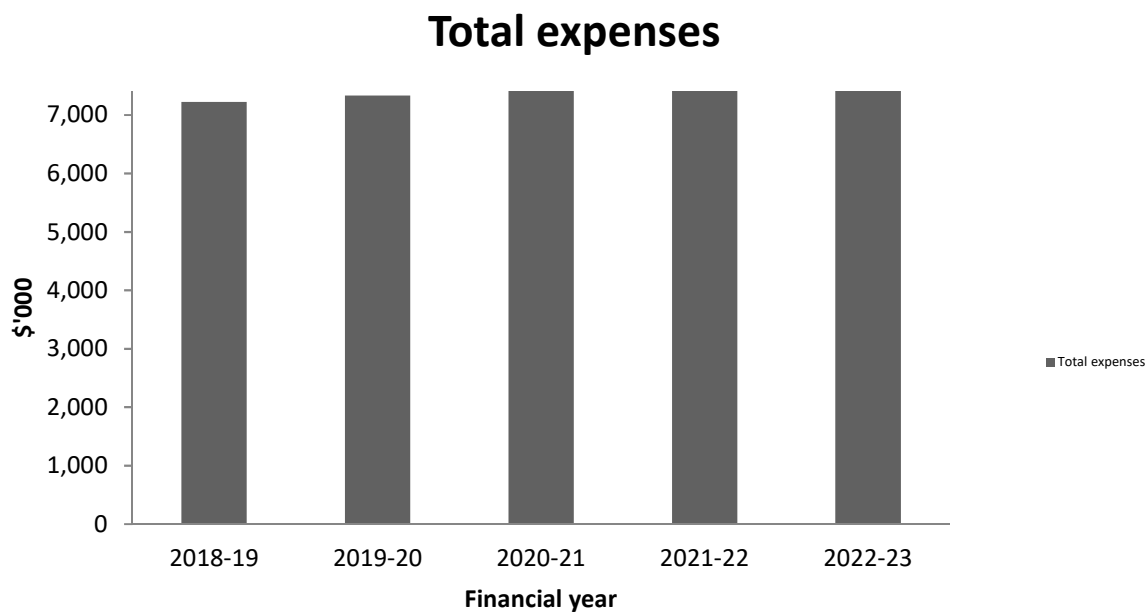
Analysis of budgeted financial statements

The analysis of the budget for the Office of the Governor's financial results and financial position is provided below.

Departmental income statement

The budget for 2019-20 total expenses is \$7.3 million, an increase from the 2018-19 Estimated Actual expenses of \$7.2 million. The increase is mostly due to the impact of enterprise bargaining arrangements.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

The Office's total assets are expected to be \$3.5 million as at 30 June 2019, primarily made up of plant and equipment of \$1.9 million and cash reserves of \$1.4 million. The heritage and cultural collection is a significant part of plant and equipment. Total liabilities of \$342,000 relate to accounts payable and accrued employee benefits. The value of assets and liabilities is not anticipated to change markedly over the forward estimates.

Controlled income statement

Office of the Governor	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
INCOME				
Appropriation revenue	1	7,174	7,225	7,333
Taxes		..	..	..
User charges and fees		..	..	..
Royalties and land rents		..	..	..
Grants and other contributions		..	..	..
Interest and distributions from managed funds		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		7,174	7,225	7,333
EXPENSES				
Employee expenses	2	5,367	5,367	5,526
Supplies and services		1,674	1,725	1,687
Grants and subsidies		..	..	..
Depreciation and amortisation	3	109	109	96
Finance/borrowing costs		..	..	..
Other expenses		24	24	24
Losses on sale/revaluation of assets		..	..	..
Total expenses		7,174	7,225	7,333
OPERATING SURPLUS/(DEFICIT)		..	..	..

Controlled balance sheet

Office of the Governor	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
CURRENT ASSETS				
Cash assets		1,413	1,352	1,384
Receivables		124	106	106
Other financial assets		..	..	..
Inventories		38	37	37
Other		8	60	60
Non-financial assets held for sale		..	..	..
Total current assets		1,583	1,555	1,587
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		1,883	1,939	1,934
Intangibles		..	(10)	(10)
Other		..	..	..
Total non-current assets		1,883	1,929	1,924
TOTAL ASSETS		3,466	3,484	3,511
CURRENT LIABILITIES				
Payables	4	296	155	155
Accrued employee benefits		197	187	187
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		493	342	342
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		493	342	342
NET ASSETS/(LIABILITIES)		2,973	3,142	3,169
EQUITY				
TOTAL EQUITY		2,973	3,142	3,169

Controlled cash flow statement

Office of the Governor	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts		7,174	7,045	7,333
User charges and fees	
Royalties and land rent receipts	
Grants and other contributions	
Interest and distribution from managed funds received	
Taxes	
Other	
Outflows:				
Employee costs		(5,367)	(5,367)	(5,526)
Supplies and services		(1,674)	(1,725)	(1,687)
Grants and subsidies	
Borrowing costs	
Other		(24)	(24)	(24)
Net cash provided by or used in operating activities		109	(71)	96
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets	
Investments redeemed	
Loans and advances redeemed	
Outflows:				
Payments for non-financial assets		(64)	(193)	(64)
Payments for investments	
Loans and advances made	
Net cash provided by or used in investing activities		(64)	(193)	(64)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	
Equity injections		..	129	..
Outflows:				
Borrowing redemptions	
Finance lease payments	
Equity withdrawals	
Net cash provided by or used in financing activities		..	129	..
Net increase/(decrease) in cash held		45	(135)	32
Cash at the beginning of financial year		1,368	1,487	1,352
Cash transfers from restructure	
Cash at the end of financial year		1,413	1,352	1,384

Explanation of variances in the financial statements

Income statement

Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

1. An increase in appropriation revenue mainly reflects funding for enterprise bargaining outcomes.
2. An increase in employee expenses mainly reflects enterprise bargaining outcomes.
3. A decrease in depreciation and amortisation as some underlying assets are fully depreciated.

Balance sheet

Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

4. A decrease in payables as a result of revised project expense activity in the period.



Queensland
Government

Public Service Commission

Departmental overview

The Public Service Commission (PSC) provides leadership and expertise to build and foster a professional high-performing workforce, highly capable, collaborative and inspiring leaders, and continuously improving, future-focused organisations.

The PSC contributes to the Government's objectives for the community *Our Future State: Advancing Queensland's Priorities* of Be a responsive government by:

- leading public sector employee participation and engagement strategies
- connecting agencies to support collaborative responses to current and future challenges
- supporting agencies to continuously improve their performance
- co-designing community-focused solutions
- building leadership capability and development
- fostering a diverse and inclusive public sector.

As a central agency, PSC provides independent advice to government and collaborates across the public sector to achieve its vision of a high-performing, future-focused public sector for Queensland. Its strategic objectives are to:

- provide effective stewardship of the public sector
- develop public sector capability
- enable an agile, future-focused public sector
- optimise our capability and performance.

Key initiatives for 2019-20 include:

- implementing strategic initiatives in the *10 Year Strategic Human Capital Outlook* and the *3 Year Strategic Roadmap* to promote contemporary workforce planning and management
- supporting the achievement of cross-sector objectives through collaborative, outcomes-focused governance and building capability in community-centred service design
- refining the collation and reporting of workforce data to better support evidence-based decision making
- collaborating with the sector to implement the revised *Leadership competencies for Queensland* capability framework and the *LEAD4QLD* assessment and development program
- developing the *Aboriginal and Torres Strait Islander career pathways project* to address under-representation of Aboriginal and Torres Strait Islander employees in leadership positions.

Key challenges which may impact PSC's capacity to deliver on its vision include the ability to:

- demonstrate unique value to customers
- meet changing customer needs and expectations
- ensure organisational and individual capability to respond to changing needs.

The PSC will mitigate these challenges by:

- building trusted relationships with customers based on a clear understanding of needs and expectations
- adjusting priorities and operations to meet changing customer needs, emerging issues and trends, and involving customers in co-designing solutions
- applying capability-building strategies internally and accessing thought leadership where we lack internal skills.

The Integrity Commissioner is administratively included within the PSC and is responsible for providing advice to designated persons, raising awareness on ethics and integrity issues, and for maintaining the Queensland Register of Lobbyists. The Integrity Commissioner is an independent officer of the Queensland Parliament who reports to the Economics and Governance Committee of the Parliament.

Service Performance

Performance Statement

Provision of Services for a High Performing Public Service

Service Area Objective

Deliver high quality community and service-focused policies, strategies, programs and advice to government on workforce, leadership and organisational matters that support Queensland Government agencies to deliver on their strategic vision, purpose and objectives.

Description

The Public Service Commission (PSC) has three key areas of focus:

- providing effective stewardship of the public sector
- developing public sector capability
- enabling a future-focused public sector.

To support the delivery of these services, the PSC will optimise its capability and performance and focus on developing a customer-centric culture, modelling leadership behaviours and developing and sharing capabilities.

The PSC collaborates with external stakeholders including the tertiary education and development sector, industry, employer associations, unions, research institutes and other public sector jurisdictions, in the design and delivery of its services.

Staffing¹

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
70	70	70

Note:

1. Full-time equivalents (FTEs) as at 30 June.

2019-20 service area highlights

During 2019-20, the PSC will:

- implement government decisions emerging from reviews of the public sector workforce
- collaborate with chief human resources officers to build expertise in the future of work identified in *the 10 Year Strategic Human Capital Outlook*, and support agencies to implement workforce initiatives in the *3 Year Strategic Roadmap*
- improve talent acquisition and mobility through increased use of the Queensland Government employer brand BeHere4Qld for graduate marketing, and by implementing a shared platform to facilitate internal talent mobility
- continue to implement the sectorwide workplace reform package, in partnership with agencies, to build capability in the prevention and response to domestic and family violence
- continue to advance improvements in gender pay equity in the Queensland public sector
- support agencies to transition to the renewed *Leadership competencies for Queensland* framework by developing communities of practice to deliver critical human resource process changes
- promote sector and internal participation in the *LEAD4QLD* capability and assessment process to support more targeted leadership development
- support the Institute of Public Administration Australia (IPAA) Queensland's strategies for a sustainable professional association through growing the membership, building partnerships across levels of government and sectors, growing regional engagement and ensuring appropriate governance

- continue to provide support to Deputy Directors-General to build capability in collaboration and responsiveness through targeted masterclasses, coaching and workshops to support the delivery of *Our Future State: Advancing Queensland's Priorities*
- provide advisory services to support agencies to develop integrated services and programs, and build their capability in community-centred service design method
- partner with departments to increase organisational performance across government through the *Capability Blueprint* program that enables departments to assess and build organisational capability to meet future challenges
- provide advice to departments on the management of complex conduct and performance matters and the application of PSC policies and instruments in difficult scenarios
- refine the collation and reporting of workforce data to enable evidence based decision making in the management of the sector's workforce
- grow leadership and management capability to manage conduct and performance across the sector by developing practical resources and tools for managers and human resource practitioners and providing an advisory service supported by an up-to-date website.

Provision of Services for a High Performing Public Service	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
Service standards			
<i>Effectiveness measures</i>			
Overall participant satisfaction with PSC leadership development offerings ¹	87%	94%	88%
Client satisfaction with specialist workforce services advice ²	85%	78%	80%
<i>Efficiency measures</i>			
Cost per participant at PSC leadership development offerings ³	\$300	\$310	\$300
Cost per employee of conducting annual sector-wide employee opinion survey ⁴	\$1.40	\$1.14	\$1.15

Notes:

1. Overall satisfaction is measured across leadership development calendar offerings (using a 5-point Likert scale ranging from strongly agree to strongly disagree) covering three dimensions: The offering has given me a good understanding of the topic I will use or adapt the ideas from the offering in my work and I would recommend the offering to my colleagues.
2. The service standard measures overall client satisfaction with both PSC Advisory Service and Conduct and Performance Excellence where clients indicated they were either satisfied or highly satisfied with the service based on client survey results. PSC implemented systemic changes to the way it delivers and seeks advice for 2018-19. As predicted, the 2018-19 Estimated Actual results are lower than the 2018-19 Target/Estimate, which may be due to these changes and/or revisions made to the survey mechanism from a 4-point scale to a 5-point scale to now include a 'neither satisfied or dissatisfied' option. Given these changes, the 2019-20 Target/Estimate has been revised to build on the baseline created in 2018-19. It should be noted that as a result of the change in calculation methodology, past performance data for this measure is no longer comparable.
3. Value for money is measured on the total number of attendees against the total cost of holding the leadership development calendar offerings. Total cost includes venue hire, catering, facilities, facilitator related costs such as travel and/or accommodation, and video production costs. The 2018-19 Estimated Actual has exceeded the target due to increased supplier prices and changes to the mix of offerings.
4. The cost per employee of the annual *Working for Queensland* employee opinion survey is based on the cost of the core elements of the survey (i.e. survey services that are funded by PSC and provided to all participating agencies). Core costs are divided by the number of employees that are eligible to complete the survey. Eligibility to complete the survey is based primarily on an agency's participation in the Minimum Obligatory Human Resource Information (MOHRI) workforce data collection. The 2018-19 Target/Estimate was based on anticipated costs of shifting to a new survey provider. As the 2018-19 Estimated Actual cost has been less than anticipated, the 2019-20 Target/Estimate has been adjusted accordingly.

Budgeted financial statements

Analysis of budgeted financial statements

An analysis of the Public Service Commission's financial statements is provided below.

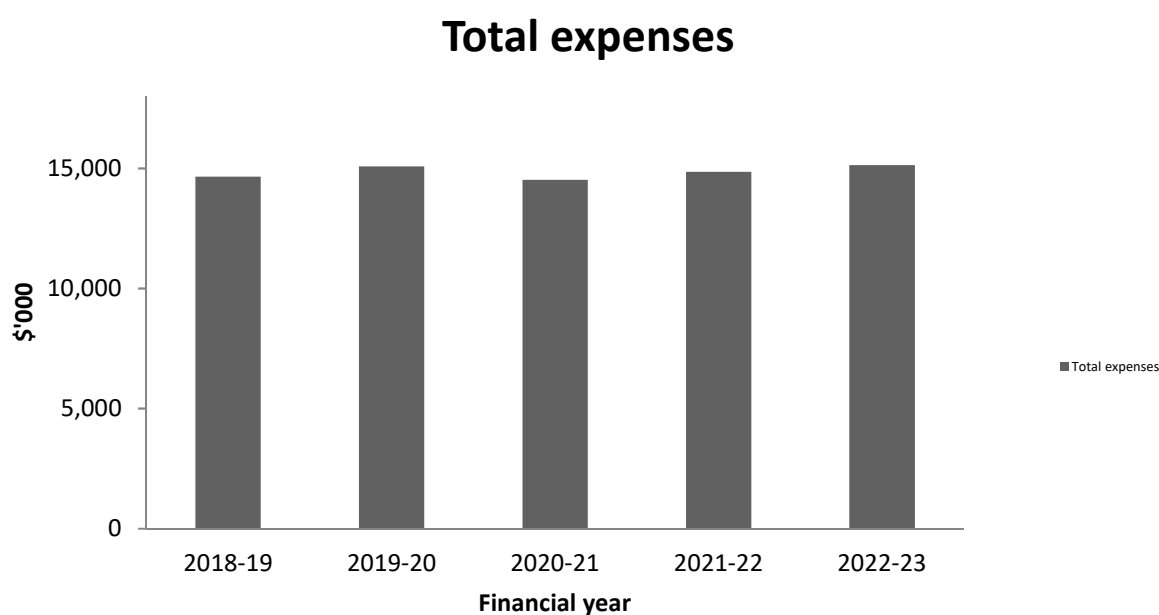
Departmental income statement

Total expenses are estimated to be \$15.1 million in 2019-20, an increase of \$430,000 from the 2018-19 Estimated Actual and is primarily due to deferral of funding for:

- completion of the ICT device replacement which has been deferred to align with the roll out of the new ICT standing offer arrangements.
- continued participation in the Department of the Premier and Cabinet (DPC) Policy Graduate Program
- implementing government decisions emerging from reviews of the public sector workforce.

The increase of expenses in 2019-20 is partly offset by the whole-of-government expense 'Reprioritisation' measure. The forward estimates demonstrate a steady-state position being maintained by the Commission.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

The Commission's balance sheet is primarily represented by current assets and liabilities, reflecting the accrued position as at year end. The net asset position for 2019-20 is expected to remain consistent with the current financial year.

Controlled income statement

Public Service Commission	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
INCOME				
Appropriation revenue	1,4	13,675	13,731	13,896
Taxes		..	..	..
User charges and fees		203	203	190
Royalties and land rents		..	..	..
Grants and other contributions		720	720	720
Interest and distributions from managed funds		..	..	..
Other revenue	5	..	..	278
Gains on sale/revaluation of assets		..	..	..
Total income		14,598	14,654	15,084
EXPENSES				
Employee expenses	2,6	9,804	9,447	10,154
Supplies and services	3,7	4,729	5,029	4,837
Grants and subsidies		20	75	50
Depreciation and amortisation		2	2	2
Finance/borrowing costs		..	..	..
Other expenses		43	101	41
Losses on sale/revaluation of assets		..	..	..
Total expenses		14,598	14,654	15,084
OPERATING SURPLUS/(DEFICIT)		..	..	..

Controlled balance sheet

Public Service Commission	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
CURRENT ASSETS				
Cash assets	8	1,536	1,869	1,829
Receivables	9,12	185	837	444
Other financial assets		..	..	..
Inventories		..	..	..
Other		189	202	213
Non-financial assets held for sale		..	..	..
Total current assets		1,910	2,908	2,486
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		..	..	..
TOTAL ASSETS		1,910	2,908	2,486
CURRENT LIABILITIES				
Payables	10	359	1,176	1,117
Accrued employee benefits		479	439	433
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		838	1,615	1,550
NON-CURRENT LIABILITIES				
Payables	11,13	136	357	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		136	357	..
TOTAL LIABILITIES		974	1,972	1,550
NET ASSETS/(LIABILITIES)		936	936	936
EQUITY				
TOTAL EQUITY		936	936	936

Controlled cash flow statement

Public Service Commission	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts		13,675	12,790	14,253
User charges and fees		313	634	300
Royalties and land rent receipts	
Grants and other contributions		720	720	720
Interest and distribution from managed funds received	
Taxes	
Other		356	356	614
Outflows:				
Employee costs		(9,788)	(9,431)	(10,160)
Supplies and services		(5,121)	(4,975)	(5,597)
Grants and subsidies		(20)	(75)	(50)
Borrowing costs	
Other		(235)	(327)	(118)
Net cash provided by or used in operating activities		(100)	(308)	(38)
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets	
Investments redeemed	
Loans and advances redeemed	
Outflows:				
Payments for non-financial assets		(2)	(2)	(2)
Payments for investments	
Loans and advances made	
Net cash provided by or used in investing activities		(2)	(2)	(2)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	
Equity injections	
Outflows:				
Borrowing redemptions	
Finance lease payments	
Equity withdrawals	
Net cash provided by or used in financing activities	
Net increase/(decrease) in cash held		(102)	(310)	(40)
Cash at the beginning of financial year		1,638	2,179	1,869
Cash transfers from restructure	
Cash at the end of financial year		1,536	1,869	1,829

Explanation of variances in the financial statements

Income statement

Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

1. An increase in appropriation receipts due to a post budget deferral of funding from 2017-18 for completion of the ICT device replacement, whole-of-government evaluation response for the Domestic and Family Violence (DFV) Initiative, continuation of the Talent Now pilot program, continued participation in the DPC Policy Graduate program and rationalisation of legacy workforce reporting systems to current reporting infrastructure platforms. This is partly offset by a rephasing of several projects to 2019-20 such as the completion of the ICT device replacement and continued participation in the DPC Policy Graduate Program.
2. A decrease in employee expenses due to a revision to the Commission's staffing structure to align with service delivery outputs which achieved savings through external secondment opportunities and short-term vacancies during the financial year.
3. An increase in supplies and services primarily due to the deferral of funding for completion of the whole-of-government evaluation response for the DFV Initiative, continuation of the Talent Now pilot program and rationalisation of legacy workforce reporting systems to current reporting infrastructure platform.

Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

4. An increase in appropriation revenue primarily due to enterprise bargaining arrangements, partly offset by whole-of-government reprioritisation expense measures.
5. An increase in other revenue for the reimbursement of services provided to the Institute of Public Administration Australia (IPAA) Queensland, supporting development opportunities for the public sector.
6. An increase in employee expenses due to enterprise bargaining arrangements and for activities supporting the IPAA Queensland.
7. A decrease in supplies and services primarily due to the finalisation of projects including multiple ancillary databases leveraging off the MOHRI reporting infrastructure, evaluation of the whole-of-government response to DFV, Talent Now Pilot Program, and whole-of-government corporate membership for development subscriptions.

Balance sheet

Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

8. An increase in cash assets primarily due to the anticipated increase in accrued payables at year end.
9. An increase in current receivables primarily due to the recovery of costs due to external secondment opportunities and an increase in the straight-line accounting policy for the Commission's lease agreements in accordance with Financial Reporting Requirements and Australian Accounting Standards.
10. An increase in current payables for the recognition of accrued goods and services and external secondment opportunities.
11. An increase in non-current payables reflecting the straight-line accounting policy for the Commission's lease agreements in accordance with Financial Reporting Requirements and Australian Accounting Standards.

Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

12. A decrease in current receivables reflecting the change to straight-line accounting policy for the Commission's lease agreements in accordance with Financial Reporting Requirements due to the introduction of a new Australian Accounting Standard for Leases AASB 16.
13. A decrease in non-current payables reflecting the change to straight-line accounting policy for the Commission's lease agreements in accordance with Financial Reporting Requirements, being that internal Government Leases are exempt from balance sheet recognition.



Queensland Audit Office

Departmental overview

The Queensland Audit Office (QAO) is the independent auditor of the Queensland public sector.

The QAO conducts financial and performance audits to provide public confidence in the reliability of public sector entity financial statements and operating performance. Through its audit work, the QAO makes recommendations to improve accountability and performance.

QAO's unique position provides it with visibility across the entire public sector of matters that impact financial performance, and its audit mandate provides it with access to the information it needs to develop an evidence-based understanding of operating performance.

QAO's vision is for better public services and it strives to use its unique position and mandate to achieve this vision.

QAO's objectives are:

- we support and challenge our people to best serve Parliament and our clients
- those we serve trust and value our services and insights
- our financial and performance assurance services and insights are used to improve accountability and performance.

QAO's financial audit services are paid for directly by public sector entities, while performance audit services are paid for by parliamentary funding.

Each year QAO invests responsibly to deliver the best value it can from its services.

Our key priorities with the most significant impacts to QAO in 2019-20 will be:

- reviewing the way we communicate our findings and insights with Parliament, clients and wider stakeholders
- working with our clients to ensure new accounting standards that come into effect in 2019-20 are applied correctly and reported appropriately
- refreshing our financial and performance audit methodologies
- investing in new software for our audit tool set and resource management
- improving staff collaboration including a move to activity-based working.

Service Performance

Performance Statement

Independent Public Sector Auditing and Reporting

Service Area Objective

To provide independent, valued assurance and insights about public sector performance, facilitating better public services.

Services

- Reports and advice to the Parliament
- Reports and advice to the public sector

Description

The Queensland Audit Office (QAO) conducts financial and performance audits to provide public confidence in the reliability of public sector entity financial statements and operating performance. Each year the QAO develops plans about what audits it will conduct in future years. During each audit, the QAO performs analysis, develops insights, and makes recommendations designed to promote accountability and transparency, and improve performance. The QAO's reports provide valuable information to Parliament, public sector entities and members of the public. Each year, the QAO follows up with public sector entities to identify to what extent its recommendations have been implemented.

Staffing^{1,2}

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
182	191	191

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. QAO has engaged additional resources to meet its legislative requirements for the certification of approximately 435 annual financial statements and its performance audit program consistent with the recommendations around reducing workload pressure in the most recent QAO strategic review.

2019-20 service area highlights

In 2019-20, the QAO will:

- support its workforce to meet Parliament's and our clients' service needs
- enhance relationships with Parliament and public sector entities
- adapt its assurance services to provide greater value
- increase reporting on the extent of audit recommendations implemented based on updates provided by public sector entities
- review how findings and insights are communicated with Parliament, clients and wider stakeholders
- work with clients to ensure they apply changes to accounting standards correctly and report appropriately
- holistically review the audit process, including updated methodologies, toolsets, resource management, a move to activity-based working and technology.

Independent Public Sector Auditing	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
Service: Reports and Advice to the Parliament			
Service standards			
<i>Effectiveness measures</i>			
Parliament's overall satisfaction with services ^{1,2}	80%	89%	..
Audit entities' overall satisfaction with performance audit services (index points) ^{1,3}	80	76	80
Average time taken to produce reports - Results of financial audits from applicable balance dates (months) ⁴	6	6	6
Average time taken to produce reports - Results of performance audits - from initiation of audits (months) ⁴	9	9	9
<i>Efficiency measures</i>			
Average cost of reports tabled - Results of financial audits (\$'000) ⁵	140	130	140
Average cost of reports tabled - Results of performance audits (\$'000) ⁵	395	321	395
Service: Reports and advice to the Public Sector			
Service standards			
<i>Effectiveness measure</i>			
Audit entities' overall satisfaction with financial audit services (index points) ^{1,3}	80	81	80
<i>Efficiency measures</i>			
Average cost of financial audits - State entities (\$'000) ⁶	75-90	88	75-90
Average cost of financial audits - Local government entities (\$'000) ⁶	65-75	70	65-75

Notes:

1. The Queensland Audit Office (QAO) service area objective includes providing insights. QAO's performance is effective when its advice is valued by Members of Parliament and the entities that QAO audit. To measure this, independent surveys are conducted with these groups asking for responses about QAO services, including the value it provides. The results are reported here as part of 'overall satisfaction'.
2. Members of Parliament are typically only surveyed twice during their political term (i.e. not annually). The last survey to this group was conducted in 2018-19. A 2019-20 Target/Estimate has not been published as the next survey will be conducted in 2020-21.
3. This measure is based on surveys conducted throughout the year by an independent external provider. The final results are available in July and included in the QAO annual report.
4. QAO tracks the time it takes to produce each report. For performance audits, this is measured from audit initiation to the tabling date. For reports on the results of financial audits, QAO measures the time from financial year-end to the tabling date. This measure demonstrates the effectiveness of the QAO reporting to Parliament in a timely manner contributes positively to prompt action being taken and the achievement of better outcomes.
5. QAO tracks the full life-cycle cost of each report it tables, including internal staff costs and overheads, consultants and other direct costs. The cost of all reports QAO tabled within the financial year are used in the final measure. The average cost is lower due to more follow up reports being tabled within the 2018-19 financial year.
6. QAO tracks the full cost of each financial audit including internal staff costs and overheads, contractor and other direct costs. The full cost of all the financial audits completed within the financial year are included in the final measure. This measure is calculated by dividing the full cost of financial audits by the number of audit opinions produced. It is normal for the total number of opinions to change marginally each year which will impact these results. Expressing the target for this measure as a range better reflects the nature of audit services and provides better information for understanding QAO's performance.

Budgeted financial statements

Analysis of budgeted financial statements

An analysis of the Queensland Audit Office's (QAO) financial statements is provided below.

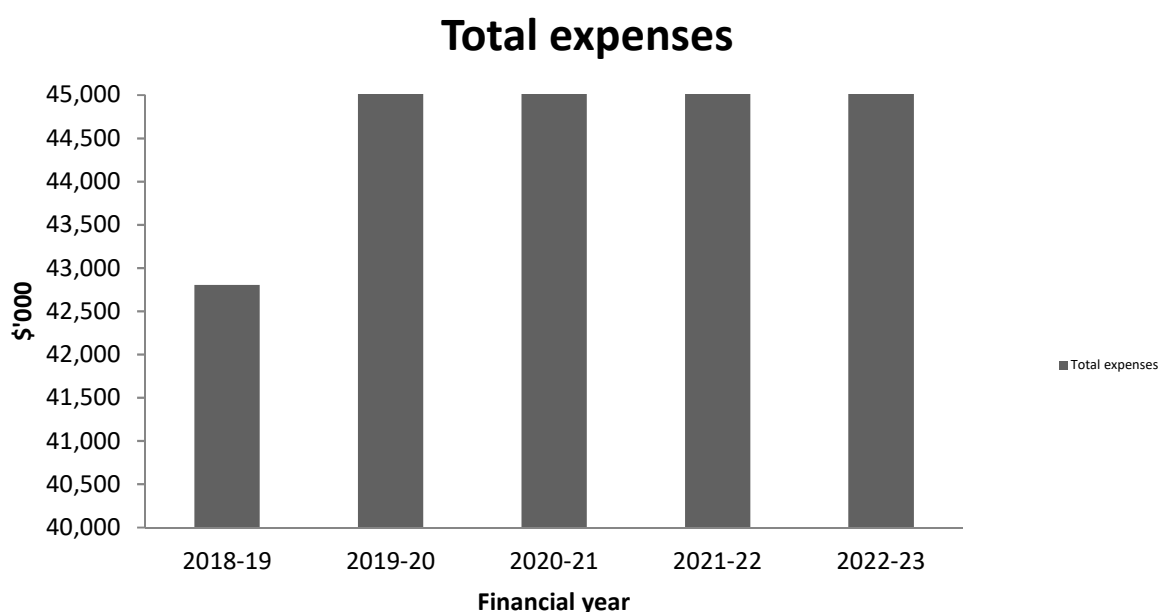
Departmental income statement

Total income is estimated to be \$45.7 million in 2019-20, an increase of \$1.2 million compared to the 2018-19 Estimated Actual of \$44.5 million, which in turn is an increase of \$785,000 compared to the 2018-19 Budget. This increase is due to an increase in the audit program and a 2.5% increase in charge out rates.

Total expenses are estimated to be \$45 million in 2019-20, an increase of \$2.2 million compared to the 2018-19 Estimated Actual of \$42.8 million.

The increase in budgeted employee expenses of \$2.5 million for 2019-20 Budget against the 2018-19 Estimated Actual is mainly due to a higher audit full time equivalents and salary increases under the Enterprise Bargaining arrangements. The increase is due to QAO achieving its planned establishment, enabling the Auditor-General to meet legislative requirements under the Auditor-General Act 2009. QAO has experienced a significant resource gap which has been mitigated by staff achieving higher utilisation than planned. This strategy is not sustainable and a rolling recruitment strategy has been put in place to achieve the planned establishment.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

The balance sheet position remains sustainable over the forward estimates. QAO's balance sheet primarily reflects liquid assets and liabilities. Major asset holdings in 2019-20 are cash \$7.3 million, receivables \$4.3 million and work-in-progress \$3 million.

Controlled income statement

Queensland Audit Office	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
INCOME				
Appropriation revenue		6,835	6,835	6,922
Taxes		..	..	..
User charges and fees	3	36,624	37,368	38,549
Royalties and land rents		..	..	..
Grants and other contributions		201	200	207
Interest and distributions from managed funds		..	..	..
Other revenue		..	42	..
Gains on sale/revaluation of assets		..	..	..
Total income		43,660	44,445	45,678
EXPENSES				
Employee expenses	1,4	22,572	21,540	24,002
Supplies and services		20,668	20,629	20,324
Grants and subsidies		..	..	..
Depreciation and amortisation	5	318	337	400
Finance/borrowing costs		..	..	..
Other expenses	2	263	298	306
Losses on sale/revaluation of assets		..	..	..
Total expenses		43,821	42,804	45,032
OPERATING SURPLUS/(DEFICIT)		(161)	1,641	646

Controlled balance sheet

Queensland Audit Office	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
CURRENT ASSETS				
Cash assets	6,13	5,407	8,163	7,285
Receivables	14	4,041	3,798	4,338
Other financial assets		..	..	..
Inventories		..	..	..
Other	7,15	2,736	2,258	3,000
Non-financial assets held for sale		..	..	..
Total current assets		12,184	14,219	14,623
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	8,16	424	268	170
Intangibles	9,17	929	640	338
Other		10	..	..
Total non-current assets		1,363	908	508
TOTAL ASSETS		13,547	15,127	15,131
CURRENT LIABILITIES				
Payables	10,18	1,479	1,294	943
Accrued employee benefits	11,19	514	986	711
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		1,993	2,280	1,654
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions	12	902	16	..
Other		..	..	..
Total non-current liabilities		902	16	..
TOTAL LIABILITIES		2,895	2,296	1,654
NET ASSETS/(LIABILITIES)		10,652	12,831	13,477
EQUITY				
TOTAL EQUITY		10,652	12,831	13,477

Controlled cash flow statement

Queensland Audit Office	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts		6,835	6,835	6,922
User charges and fees		39,928	41,281	41,600
Royalties and land rent receipts	
Grants and other contributions	
Interest and distribution from managed funds received	
Taxes	
Other		1,933	1,968	1,820
Outflows:				
Employee costs		(23,369)	(21,499)	(24,607)
Supplies and services		(22,413)	(23,619)	(22,657)
Grants and subsidies	
Borrowing costs	
Other		(3,592)	(3,853)	(3,956)
Net cash provided by or used in operating activities		(678)	1,113	(878)
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets	
Investments redeemed	
Loans and advances redeemed	
Outflows:				
Payments for non-financial assets		(450)	(275)	..
Payments for investments	
Loans and advances made	
Net cash provided by or used in investing activities		(450)	(275)	..
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	
Equity injections	
Outflows:				
Borrowing redemptions	
Finance lease payments	
Equity withdrawals	
Net cash provided by or used in financing activities	
Net increase/(decrease) in cash held		(1,128)	838	(878)
Cash at the beginning of financial year		6,535	7,325	8,163
Cash transfers from restructure	
Cash at the end of financial year		5,407	8,163	7,285

Explanation of variances in the financial statements

Income statement

Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

1. A decrease in employee expenses reflects lower than planned staffing levels for the first half of the year, offset partially by the recruitment of graduates and rolling recruitment of Financial Audit staff from February, and temporary savings as a result of wages only increasing in line with the State Wage Case pending a new Enterprise Bargaining Agreement being signed.
2. An increase in other expenses due to a more comprehensive outsourced internal audit program.

Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

3. An increase in user charges and fees due to timing and additional program of financial statement audits.
4. An increase in employee expenses for 2019-20 of \$2.5 million is mainly due to the recruitment of audit staff to bring QAO's staff numbers to its planned establishment, to meet its legislative requirements for the certification of annual financial statements, and salary increases under Enterprise Bargaining arrangements.
5. An increase in depreciation due to planned capital purchases of IT equipment.

Balance sheet

Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

6. An increase in cash assets mainly due to lower employee expenses in 2018-19 and improved management of trade debtors.
7. An decrease in other current assets to reflect timing of audit services that are Work in Progress and are not billable as at end of financial year.
8. A decrease in property, plant and equipment mainly due to planned depreciation and lower capital works expenditure to replace current office and IT equipment.
9. A decrease in intangibles due to accelerated amortisation of our finance system.
10. A decrease in current payables due to improved management of creditor accounts.
11. An increase in accrued employee benefits due to timing of end of financial year pay date.
12. A decrease in provisions with the signing of a new lease with a no "make good" clause, resulting in the release of the leasehold restoration provision.

Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

13. A decrease in cash assets due to higher employee expenses in 2019-20 which is partially offset by additional user charges and fees.
14. An increase in current receivables to reflect timing of billing of increased audit services provided.
15. An increase in other current assets to reflect timing of audit services that are Work in Progress and are not billable as at end of financial year.
16. A decrease in property, plant and equipment mainly due to depreciation and no planned acquisitions.
17. A decrease in intangibles due to amortisation of existing intangibles and no planned acquisitions.
18. A decrease in current payables due to improved management of creditor accounts.
19. A decrease in accrued employee benefits due to timing of end of financial year pay date.

Glossary of terms

Accrual accounting	Recognition of economic events and other financial transactions involving revenue, expenses, assets, liabilities and equity as they occur and reporting in financial statements in the period to which they relate, rather than when a flow of cash occurs.
Administered items	Assets, liabilities, revenues and expenses an entity administers, without discretion, on behalf of the Government.
Agency/entity	Used generically to refer to the various organisational units within Government that deliver services or otherwise service Government objectives. The term can include departments, commercialised business units, statutory bodies or other organisations established by Executive decision.
Appropriation	Funds issued by the Treasurer, under Parliamentary authority, to agencies during a financial year for: <ul style="list-style-type: none"> • delivery of agreed services • administered items • adjustment of the Government's equity in agencies, including acquiring of capital.
Balance sheet	A financial statement that reports the assets, liabilities and equity of an entity as at a particular date.
Capital	A term used to refer to an entity's stock of assets and the capital grants it makes to other agencies. Assets include property, plant and equipment, intangible items and inventories that an entity owns/controls and uses in the delivery of services.
Cash Flow Statement	A financial statement reporting the cash inflows and outflows for an entity's operating, investing and financing activities in a particular period.
Controlled Items	Assets, liabilities, revenues and expenses that are controlled by departments. These relate directly to the departmental operational objectives and arise at the discretion and direction of that department.
Depreciation	The periodic allocation of the cost of physical assets, representing the amount of the asset consumed during a specified time.
Equity	Equity is the residual interest in the assets of the entity after deduction of its liabilities. It usually comprises the entity's accumulated surpluses/losses, capital injections and any reserves.
Equity injection	An increase in the investment of the Government in a public sector agency.
Financial statements	Collective description of the Income Statement, the Balance Sheet and the Cash Flow Statement for an entity's controlled and administered activities.
Income statement	A financial statement highlighting the accounting surplus or deficit of an entity. It provides an indication of whether the entity has sufficient revenue to meet expenses in the current year, including non-cash costs such as depreciation.
Outcomes	Whole-of-government outcomes are intended to cover all dimensions of community wellbeing. They express the current needs and future aspirations of communities, within a social, economic and environment context.
Own-source revenue	Revenue that is generated by an agency, generally through the sale of goods and services, but it may also include some Commonwealth funding.
Priorities	Key policy areas that will be the focus of Government activity.
Services	The actions or activities (including policy development) of an agency which contribute to the achievement of the agency's objectives.
Service area	Related services grouped into a high level service area for communicating the broad types of services delivered by an agency.
Service standard	Define a level of performance that is expected to be achieved appropriate for the service area or service. Service standards are measures of efficiency or effectiveness.



Queensland Budget 2019–20

Service Delivery Statements

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