

SERVICE DELIVERY STATEMENTS

Department of Education and Training

2017-18 Queensland Budget Papers

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Service Delivery Statements

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Department of Education and Training

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 Minister for Education and Minister for Tourism, Major Events and the Commonwealth Games, and the Attorney-General, Minister for Justice and Minister for Training and Skills:

Minister for Education and Minister for Tourism, Major Events and the Commonwealth Games

The Honourable Kate Jones MP

Attorney-General, Minister for Justice and Minister for Training and Skills

The Honourable Yvette D'Ath MP

Department of Education and Training

Director-General: Dr Jim Watterston

Service area 1: Early Childhood Education and Care

Service area 2: School Education

Service area 3: Training and Skills

The Minister for Education and Minister for Tourism, Major Events and the Commonwealth Games is also responsible for:

Queensland Curriculum and Assessment Authority

Chief Executive Officer: Chris Rider

Objective: To support the Queensland education community by providing high-quality syllabuses, assessment, certification and tertiary entrance services.

The Attorney-General, Minister for Justice and Minister for Training and Skills is also responsible for:

TAFE Queensland

Chief Executive Officer: Jodi Schmidt

Objective: To be an efficient, effective, sustainable and responsive organisation that develops skills and employment opportunities for individuals to meet employer, industry and community demands.

Additional information about these agencies can be sourced from:

www.det.qld.gov.au

www.qcaa.qld.gov.au

www.tafeqld.edu.au

Departmental overview

The Department of Education and Training is creating opportunities for Queenslanders through high quality learning and skilling services. These services are focused on preparing Queenslanders with the knowledge, skills and confidence to successfully participate in the community and Queensland's economy.

The delivery of learning and skilling services across Queensland contributes to the Queensland Government's objectives for the community of:

- creating jobs and a diverse economy
- delivering quality frontline services
- building safe, caring and connected communities.

A key focus of the department in contributing to these objectives is the shared responsibility, across service delivery areas, for the creation of connected and accessible learning and skilling pathways for children, young people and students. Supporting the commitment of working together to lift learning and skilling outcomes are the strategic outcomes for each service delivery area:

- Early Childhood Education and Care – children engaged in quality early years programs that support learning and development and making successful transitions to school
- School Education – students engaged in learning, achieving and successfully transitioning to further education, training and work
- Training and Skills – Queenslanders skilled to participate in the economy and the broader community.

The Queensland Government's *Advancing education: An action plan for education in Queensland* (Advancing Education) is putting Queensland students on the path to success, and inspires them to become lifelong learners, global citizens and successful people, confidently able to navigate their future.

The Queensland Government has been consulting with sector stakeholders from across the State on the draft *Advancing skills for the future: a strategy for VET in Queensland* (Advancing Skills). Once finalised, Advancing Skills will be the blueprint for ensuring that Queensland has the skilled population needed to attract investment and encourage job creation.

The department has also been consulting with key stakeholders across Queensland on the draft *Advancing Aboriginal and Torres Strait Islander Education and Training Action Plan*. The final Action Plan will set out the Queensland Government's commitment to drive better outcomes in early childhood education, school education, vocational education and training and higher education for Aboriginal and Torres Strait Islander children, students and young people.

Early Childhood Education and Care

The early years are a critical time in a child's development. The department is ensuring all Queensland children have access to quality early learning and development opportunities to give them a confident start in life.

In line with Advancing Education, the department will support the delivery of quality early years education and care across Queensland by:

- working with stakeholders and communities to increase participation of Aboriginal and Torres Strait Islander children, vulnerable and disadvantaged children, and children with disability and/or complex needs, in early childhood programs
- strengthening community partnerships to expand access to integrated services that respond to local needs
- continuing to implement the *Early Childhood Education and Care Workforce Action Plan 2016-19* to support a highly skilled and capable early childhood workforce
- implementing a collaborative, networked approach across schools, community and the early childhood sector to support children's positive transition to school.

School Education

The learning outcomes students achieve during their school years provide the basis for their future as successful citizens, engaged in the workforce and the community. Lifting learning outcomes for all students is essential for the social and economic growth of Queensland.

To achieve this lift in learning outcomes, the Queensland Government is providing more teachers, specialist teachers and additional guidance officers to support students' individual needs to engage with their learning.

In line with Advancing Education, the department will position schools to support students by:

- improving the teaching of science, technology, engineering and mathematics (STEM) in state schools
- implementing the Australian Curriculum: Digital Technologies, including coding and robotics
- expanding the study of languages from Prep to Year 12
- building the intercultural capability of students, teachers and school leaders
- progressing the new senior assessment and tertiary entrance systems
- investing in facilities through boosting funding for capital infrastructure and maintenance
- reconnecting at-risk or disengaged students to learning through better monitoring and provision of quality alternative learning options.

Training and Skills

Training and skilling services are key contributors to achieving the Government's objective of creating jobs and a diverse economy. The department is focused on providing all Queenslanders with access to high quality training and skilling opportunities to participate effectively in the workforce.

The Queensland Government is strengthening the vocational education and training (VET) sector with improvements that will build a better future for Queensland students, workers, industry and employers through high quality training and skilling services. These include:

- strengthening the Queensland VET market to support eligible Queenslanders to undertake training for employment in priority areas identified by industry
- investing in TAFE Queensland to be a premium public provider of VET
- setting standards for high quality training delivery through implementation of the *Queensland VET Quality Framework*
- continuing to support Queenslanders into work through the Skilling Queenslanders for Work initiative
- collaborating with Jobs Queensland, an independent statutory entity providing strategic industry advice to government on skills demand and workforce planning
- strengthening pre-qualified supplier entry requirements to assure training participants that their chosen registered training organisation is able to deliver high-quality industry-standard training.

Service performance

Performance statement

Early Childhood Education and Care

Service area objective

Queensland children engaged in quality early years programs that support learning and development to strengthen successful transitions to school.

Service area description

Providing children with access to quality early childhood education and care and strengthening children's transition to school. Services include the establishment, funding and monitoring of kindergarten and integrated early years services, regulation, assessment and rating of education and care services.

2017-18 service area highlights

- Establishing new integrated early years services in Tara and Redlands to ensure children and families can access the right service at the right time.
- Investing \$10.6 million to support access to vital early education, family support and maternal health services for Aboriginal and Torres Strait Islander families through Queensland's 10 Children and Family Centres.
- Delivering greater access to kindergarten in 38 remote communities through the Remote Kindergarten Pilot in state schools.
- Partnering with the Institute for Urban Indigenous Health to promote the importance of early childhood education in 18 locations across South East Queensland through the Deadly Kindies program.
- Piloting supported playgroups for children in Domestic and Family Violence refuges across Queensland.
- Continuing to support Queensland kindergartens to develop inclusive programs to support children with disability to participate in kindergarten.
- Improving access to early childhood services for refugee and asylum seeker families with children from birth to five years by piloting new initiatives that both support targeted families to access services and build capacity of early childhood education and care services to support these families.
- Launching four new series of the highly successful Sally and Possum early learning television series for deaf and hard of hearing young children and their families who use AUSLAN as their primary language.
- Continuing delivery of Play Stars, in partnership with Playgroup Queensland offering families a free 12 month membership for a child under one year of age.
- Fostering a highly skilled and capable early childhood workforce through ongoing implementation of the *Early Childhood Education and Care Workforce Action Plan 2016-19* and annual review to support future initiatives.
- Improving regulatory practices under the Regulating for Quality initiative to drive continual improvement in early childhood education and care, including targeted monitoring by the Family Day Care Taskforce.
- Continuing to provide resources and support to promote a collaborative, networked approach across schools and early childhood services, in partnership with families to support positive transitions to school.
- Working with stakeholders from the early childhood sector, representative parent groups and schools to improve access to and use of the Transition to School Statement.
- Improving continuity of learning by supporting age-appropriate pedagogies during the early years in state schools.

Department of Education and Training	Notes	2016-17 Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
Service area: Early Childhood Education and Care				
Service standards				
<i>Effectiveness measures</i>				
Proportion of Queensland children enrolled in an early childhood education program	1, 2, 3, 4	95%	>100%	95%
Proportion of enrolments in an early childhood education program:	1, 2, 3, 5, 6, 7			
Indigenous children		95%	93.1%	95%
Children who reside in disadvantaged areas		95%	94.2%	95%
Proportion of children developmentally on track on four or more (of five) Australian Early Development Census (AEDC) domains	8	65%	64.9%	65%
<i>Efficiency measure⁹</i>				

Notes:

1. The National Early Childhood Education and Care Census is conducted in the first week of August each year. Data is published by the Australian Bureau of Statistics (ABS) in the Preschool Education Australia 2016 publication catalogue 4240.0.
2. The nationally agreed benchmark established under the National Partnership Agreement (NPA) on Universal Access to Early Childhood Education is 95 per cent. Under the NPA for Universal Access to Early Childhood Education, Queensland is committed to achieving and maintaining access to an early childhood education program for all children in the year before full-time school.
3. Early childhood education program: a quality play-based program in accordance with the Early Years Learning Framework and the National Quality Standard delivered by a degree-qualified early childhood teacher to children in the year before full-time school.
4. Results over 100 per cent are possible as the nationally agreed measure is the number of children enrolled (aged four or five) divided by the estimated resident population of four year-olds.
5. The measures represent the proportion of children enrolled from each cohort group as a proportion of the estimated total population for that cohort group in Queensland.
6. Indigenous: a person who identifies at enrolment to be of Aboriginal and/or Torres Strait Islander origin.
7. Disadvantaged: a person who resides in statistical areas classified by the ABS in the bottom quintile using the Index of Relative Socio-Economic Disadvantage.
8. The AEDC is a population measure of how children have developed by the time they start school. Data is captured on five domains of early childhood development: physical health and wellbeing, social competence, emotional maturity, language and cognitive skills, and communication skills and general knowledge. It is a national census conducted every three years with the last census conducted in 2015.
9. The department is working to identify an appropriate efficiency measure for inclusion in a future *Service Delivery Statement*.

School Education

Service area objective

Queensland students engaged in learning, achieving and successfully transitioning to further education, training and work.

Service area description

Delivering Prep to Year 12 in Queensland state schools to prepare young people for successful transitions into further education, training and/or work and administering funding to Queensland non-state schools.

2017-18 service area highlights

- Continuing the three year \$152.4 million investment to deliver the Queensland Government's Extra Teachers election commitment to hire up to 875 additional teachers.
- Allocating the third tranche of 45 additional guidance officers (or equivalent) as part of the Government's commitment to invest \$8.9 million over three years to employ more guidance officers.
- Continuing the implementation of findings from the Review of School Administrative and Support Staff with \$102 million over four years resulting in the reclassification of Business Services Managers and Schools Officers in state schools and adjustments to the state school administrative staffing allocation model to recognise the administrative and support staffs' essential contribution. This initiative includes an allocation for non-state schools.
- Allocating \$500 million in total capital funding over five years for the Building Future Schools Fund to address enrolment growth pressures in state schools.
- Providing \$169.8 million (including an expensed component of \$15.1 million) as part of \$200 million in total funding for the construction of new halls, upgrading of existing halls and land acquisitions for new schools.
- Providing \$250 million over two years for new classrooms and other infrastructure in state secondary schools to accommodate the six full cohorts in 2020.
- Providing an additional \$76 million for maintenance of existing state schools as part of the third year of the Government's ongoing commitment to supplement the state schools maintenance program. With ongoing funding from 2019-20 to ensure state schools' maintenance funding is one per cent of the total state school asset replacement value.
- Implementing the new senior assessment and tertiary entrance systems for students entering Year 11 from 2019, with an investment of \$27.6 million (\$72.9 million over five years). Funding will provide for trials of new senior assessment processes, redevelopment of senior syllabus documents and provision of professional development to senior teachers and curriculum leaders.
- Providing additional funding of \$56.9 million over three years (including an allocation for non-state schools) to ensure students from the smaller cohort of Prep in 2007 can access the existing range of senior secondary subjects.
- Continuing the Government's \$6 million three-year program to establish an enhanced and rigorous teacher classification system and pay structure to modernise and improve the teaching profession.
- Implementing recommendations from the *Review of education for students with disability in Queensland state schools* to lift learning outcomes for students with disability, including the appointment of an Assistant Director-General State Schools, Disability and Inclusion, to oversee implementation.
- Improving targeted teaching of literacy through the use of Prep to Year 2 Early Start assessments and the P-10 Literacy continuum.
- Supporting schools to deliver world-class STEM education to every young Queensland, by developing a culture of high achievement in STEM education, building teacher capability, and increasing student participation in STEM learning. Building teacher capability is being supported by the provision of STEM online professional development modules developed in association with Higher Education Institutions.
- Building global schools through languages to develop students' confidence to interact with other cultures and communicate in other languages - preparing them for the opportunities in a connected and global economy.
- Providing additional funding of \$12.96 million over three years from 2017-18 to continue the delivery of Clontarf Foundation Academies to improve the education, discipline, life skills, self-esteem and employment prospects of 500 young Aboriginal and Torres Strait Islander students in the Darling Downs South West Region with expansion to North Queensland and Far North Queensland planned.

- Delivering Be Well Learn Well, an early intervention strategy addressing the learning and social developmental needs for Aboriginal and Torres Strait Islander students from Prep to Year 12 in identified remote schools.
- Delivering a suite of sports related programs providing targeted engagement incentives to encourage young Aboriginal and Torres Strait Islander women in Years 7 to 12 to stay in school and complete Year 12.
- Improving the reading outcomes for Aboriginal and Torres Strait Islander students who are learning English as an Additional Language or Dialect (EAL/D) through coaching for teachers and principals and the Indigenous Language Perspectives team.
- Delivering evidence-based information, support and advice, through the Autism Hub, to assist school leaders, teachers and parents to improve educational achievement for students with autism across Queensland.
- Providing specialist advice to teachers and parents through the Reading Centre, on how to teach reading and support readers, including strategies for students with dyslexia across the State.
- Providing high quality coaching services to schools to improve learning outcomes for students with diverse learning needs through the creation of autism coaches, inclusion coaches and mental health coaches in each of the department's regions.
- Allocating funding of \$150 million over three years from 2018-19 and ongoing funding for investment in teacher attraction, quality and leadership, as well as building staff capability in response to the Disability Review.
- Continuing to promote Queensland as a study destination in line with the *International Education and Training Strategy to Advance Queensland 2016-2026* to international students and engaging with international partners to deliver programs and services offshore.

Department of Education and Training	Notes	2016-17 Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
Service area: School Education¹				
Service standards				
<i>Effectiveness measures</i>				
Year 3 Test - Proportion of students at or above the National Minimum Standard:				
All students:	2, 3			
Reading		93%	94.2%	95%
Writing		95%	95.5%	96%
Numeracy		94%	94.4%	95%
Indigenous students:	2, 3, 4			
Reading		85%	86.3%	87%
Writing		87%	89.4%	90%
Numeracy		86%	85.4%	86%
Year 5 Test - Proportion of students at or above the National Minimum Standard:				
All students:	2, 3			
Reading		95%	90.7%	95%
Writing		90%	89.4%	90%
Numeracy		95%	92.8%	95%
Indigenous students:	2, 3, 4			
Reading		88%	76.0%	88%
Writing		72%	76.5%	77%
Numeracy		84%	80.0%	84%

Department of Education and Training	Notes	2016-17 Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
Year 7 Test - Proportion of students at or above the National Minimum Standard: All students:	2, 3			
Reading		95%	91.6%	95%
Writing		92%	84.6%	92%
Numeracy		96%	93.5%	96%
Indigenous students:	2, 3, 4			
Reading		88%	79.4%	88%
Writing		78%	66.7%	78%
Numeracy		91%	82.0%	91%
Year 9 Test - Proportion of students at or above the National Minimum Standard: All students:	2, 3			
Reading		90%	89.6%	90%
Writing		86%	73.6%	86%
Numeracy		96%	94.1%	96%
Indigenous students:	2, 3, 4			
Reading		78%	77.0%	78%
Writing		69%	52.4%	69%
Numeracy		91%	86.6%	91%
Proportion of Year 12 students awarded Certification i.e. Queensland Certificate of Education (QCE) or Queensland Certificate of Individual Achievement (QCIA)	5	97%	97.8%	98%
Proportion of Year 12 students who are completing or have completed a school-based apprenticeship or traineeship (SAT) or were awarded one or more of: Queensland Certificate of Education (QCE), International Baccalaureate Diploma (IBD), or Vocational Education and Training (VET) qualification	5	98%	97.6%	98%
Proportion of Overall Position (OP)/International Baccalaureate Diploma (IBD) students who received an OP 1 to 15 or an IBD	5	76%	77.7%	76%
Proportion of students who, six months after completing Year 12, are participating in education, training or employment	6, 7	88%	82.9%	88%
Proportion of parents satisfied with their child's school	8	94%	94.1%	94%

Department of Education and Training	Notes	2016-17 Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
<i>Efficiency measures</i>				
Average cost of service per student:				
Primary (Prep - Year 6)		\$12,606	\$12,672	\$13,387
Secondary (Year 7 - Year 12)		\$13,598	\$13,599	\$14,467
Students with disability		\$27,944	\$28,723	\$29,092

Notes:

1. These service standards relate to the state schooling sector only.
2. The National Assessment Program - Literacy and Numeracy (NAPLAN) tests are conducted in May each year. The 2016-17 Estimated Actual reflects the 2016 NAPLAN outcomes.
3. NAPLAN National Minimum Standard targets represent the aspirational goals for achievement against these measures and should be read in conjunction with other NAPLAN data, which show broad improvements.
4. Indigenous: a person who identifies at enrolment to be of Aboriginal and/or Torres Strait Islander origin.
5. Data for 2016 graduates provided by the Queensland Curriculum and Assessment Authority as at February 2017.
6. 'Students' refers to Year 12 completers. Data is sourced from the Next Step Survey conducted by the department each year. The 2016-17 Estimated Actual reflects the 2016 Next Step Survey data of 2015 Year 12 completers.
7. This is a whole-of-government measure.
8. Parents and caregivers are asked to respond about their level of satisfaction over the school year through the School Opinion Survey.

Training and Skills

Service area objective

Queenslanders skilled to participate in the economy and the broader community.

Service area description

Improving the skills profile of Queensland through targeting funding for the delivery of vocational education and training that leads directly to employment opportunities. Providing information, advice and support to VET providers, employers, students, apprentices and trainees.

2017-18 service area highlights

- Investing \$60 million (\$240 million over four years from 2015-16) to deliver the Skilling Queenslanders for Work initiative to support up to 8,000 Queenslanders (up to 32,000 over the four year commitment) to get into work.
- Supporting eligible jobseekers to gain required skills for employment in regional Queensland communities through additional training under the Back to Work Certificate 3 Guarantee Boost.
- Collaborating with Jobs Queensland to gather strategic industry advice on skills demand and workforce planning.
- Allocating funding of \$9 million over four years for the Regional Skills Investment Strategy to provide a local focus on training opportunities to develop skills for Queenslanders looking for work.
- Providing funding of \$10 million over two years for the Regional Skills Adjustment Strategy to support Queenslanders looking for work to develop skills for jobs in demand.
- Developing *Advancing skills for the future: a strategy for vocational education and training in Queensland*, a blueprint to ensure Queensland has the skilled population to attract investment and encourage job creation.
- Embedding a comprehensive and systematic approach to quality through the *Queensland VET Quality Framework* incorporating five key components: program design, supplier entry requirements, information and support, market performance and oversight, and compliance.
- Strengthening pre-qualified supplier entry requirements before registered training organisations can access state funding.
- Supporting public providers for training services with funding of approximately \$203 million in 2017-18 under the State Contribution Grant.
- Preparing a strategic training infrastructure plan to manage investment in over 40 training campuses of varying condition, age and size across the State.
- Continuing to allocate at least 10 per cent of total labour hours on eligible projects to be undertaken by apprentices and/or trainees. For projects in Indigenous communities a further 10 per cent of the total labour hours is to be allocated.
- Developing strategies to provide services to better inform students and employers about qualifications, study options and training providers suited to their needs. This includes partnering with TAFE Queensland to provide up to 10,000 state school students with personalised information about potential career and training pathways.

Department of Education and Training	Notes	2016-17 Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
Service area: Training and Skills				
Service standards				
<i>Effectiveness measures</i>				
Proportion of all attempted competencies successfully completed		93%	93.4%	93%
Proportion of Queenslanders with higher qualifications	1, 2, 3	60%	59.7%	60%
Proportion of graduates in employment or further study	1, 3, 4	87%	83.4%	87%

Department of Education and Training	Notes	2016-17 Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
Number of completions:	5			
Apprenticeships	6	11,500	9,800	11,500
Traineeships	7	11,000	12,300	11,000
School-based Apprenticeships and Traineeships (SATs)		5,000	4,600	5,000
Proportion of graduates satisfied with the overall quality of their training	1, 4	89%	85.4%	89%
Proportion of employers satisfied with graduates of:	1, 8			
Nationally accredited training		85%	84.9%	85%
Apprenticeships and traineeships		83%	82.7%	83%
<i>Efficiency measure</i> Average cost per competency successfully completed	9	\$525	\$601	\$600

Notes:

- Confidence intervals for estimates derived from sample survey responses need to be considered when interpreting relative performance.
- Sourced from the Australian Bureau of Statistics Survey of Education and Work, Australia, May 2016 data cube: Table 1.12 Non-school qualification at Certificate III level or above, persons aged 20–64 years, 2016.
- While the department actively influences this measure (including through the Higher Level Skills program and providing funding for other higher level qualifications based on industry advice), it is affected by a range of factors including the economy, higher education providers, the Australian Government and the Vocational Education and Training (VET) sector.
- Sourced from the annual National Centre for Vocational Education Research (NCVER) Student Outcomes Survey. The last survey was conducted in 2016 and relates to students who graduated in 2015.
- Departmental data shows that overall vocational student numbers have increased since 2014-15 suggesting alternate Australian Government and state-funded programs, including the Queensland Government subsidised Certificate 3 Guarantee program, are being chosen by students. Apprenticeship and traineeship measures include School-based Apprenticeships and Traineeships.
- The target reflects the national trend of reductions in apprenticeships following a decrease in Australian Government incentives and a reduction in the number of opportunities in the job market.
- Traineeships have been supplemented more recently through the Skilling Queenslanders for Work program which is a \$240 million commitment over four years and incorporates traineeship programs.
- Employer satisfaction estimates are obtained from the biennial national survey Employers' Use and Views of the VET System, which was last conducted by NCVER in 2015. The 2015-16 Estimated Actual is statistically equivalent to the 2015-16 Target/Estimate.
- This figure is calculated by dividing the Training and Skills service area budget by the number of successful VET competencies (individual study units) directly funded by the department.

Administered items

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

The Department of Education and Training administers funds on behalf of the State, which includes financial assistance to non-state schools for both capital and recurrent purposes. In 2017-18 a total of \$780 million in State funded recurrent and capital grants will be directed to non-state schools.

The department also administers Australian Government funds received for non-state schools in Queensland.

In addition, the department administers funds on behalf of the State including:

- \$284,000 in financial support to student hostels
- \$4 million to community organisations for the provision of specialist support for students with special needs.

Financial statements and variance explanations in relation to administered items appear in the departmental financial statements.

Administered items statement

Department of Education and Training	Notes	2016-17 Budget \$'000	2016-17 Est. Actual \$'000	2017-18 Budget \$'000
STATE FUNDING				
Assistance to non-state sector				
Assistance to non-state schools				
Recurrent funding for non-state schools				
General recurrent grants	4, 9	654,009	654,009	681,387
Grammar school endowments		164	164	164
School Transport		5,973	5,915	6,063
Total recurrent funding for non-state schools		660,146	660,088	687,614
Capital assistance for non-state schools				
Capital assistance		45,982	45,982	45,982
External Infrastructure		5,393	5,393	5,393
Non-State Capital Grants Other		41,200	41,200	41,200
Total capital assistance for non-state schools		92,575	92,575	92,575
Total assistance for non-state schools		752,721	752,663	780,189
Assistance to other non-state sector				
Student Hostels				
Recurrent		231	180	184
Capital		100	100	100
Total Student Hostels		331	280	284
Textbook and resource allowances	1, 5	23,520	23,131	23,178
Weekend and vacation travel		44	44	44
Community Organisations		3,965	3,926	4,025
Non-state Accreditation Board		54	54	54
Total Assistance to other non-state sector		27,914	27,435	27,585
Total Assistance to non-state sector		780,635	780,098	807,774
Other				
Textbook and resource allowance - state	2, 6	35,403	35,003	34,918
Queensland Curriculum and Assessment Authority	7, 10	33,518	33,518	33,982
Other		100	100	100
Total State Funding		849,656	848,719	876,774
Australian Government assistance to non-state education	3, 8, 11	2,387,775	2,394,048	2,507,087
TOTAL ADMINISTERED ITEMS		3,237,431	3,242,767	3,383,861

Notes:

Major variations between 2016-17 Budget and 2016-17 Estimated Actual include:

1. Decrease due to the net impact of student enrolments and Consumer Price Index (CPI) indexation.
2. Decrease due to the net impact of student enrolments and CPI indexation.

3. Increase reflects the change in the level of Australian Government funding to non-state schools.

Major variations between 2016-17 Budget and 2017-18 Budget include:

4. Increase due to the flow on impact of government funding for the state schooling sector including provisions for enterprise bargaining outcomes and enrolment growth, funding for election commitments, changes resulting from the Review of School Administrative and Support Staff as well as funding to maintain secondary curriculum offerings for the half cohort moving into Year 11 and 12.
5. Decrease due to the net impact of student enrolments and CPI indexation.
6. Decrease due to the net impact of student enrolments and CPI indexation.
7. Increase due to the flow through of enterprise bargaining outcomes to the Queensland Curriculum and Assessment Authority.
8. Increase reflects the change in the level of Australian Government funding to non-state schools.

Major variations between 2016-17 Estimated Actual and 2017-18 Budget include:

9. Increase due to the flow on impact of government funding for the state schooling sector including provisions for enterprise bargaining outcomes and enrolment growth, funding for election commitment changes resulting from the Review of School Administrative and Support Staff as well as funding to maintain secondary curriculum offerings for the half cohort moving into Year 11 and 12.
10. Increase due to the flow through of enterprise bargaining outcomes to the Queensland Curriculum and Assessment Authority.
11. Increase reflects the change in the level of Australian Government funding to non-state schools.

Departmental budget summary

The table below shows the total resources available in 2017-18 from all sources and summarises how resources will be applied by service area and by controlled and administered classifications.

Department of Education and Training	2016-17 Budget \$'000	2016-17 Est. Actual \$'000	2017-18 Budget \$'000
CONTROLLED			
Income			
Appropriation revenue ¹			
Deferred from previous year/s	155,087	15,274	132,708
Balance of service appropriation	8,731,526	8,764,824	9,384,686
Other revenue	492,160	547,588	476,320
Total income	9,378,773	9,327,686	9,993,714
Expenses			
Early Childhood Education and Care	301,148	255,365	314,755
School Education	7,970,425	7,991,182	8,624,890
Training and Skills	1,107,200	1,061,139	1,054,069
Total expenses	9,378,773	9,307,686	9,993,714
Operating surplus/deficit²	..	20,000	..
Net assets	17,887,468	18,668,964	19,177,663
ADMINISTERED			
Revenue			
Commonwealth revenue	2,387,775	2,394,048	2,507,087
Appropriation revenue	3,237,431	3,242,767	3,383,861
Other administered revenue	..	..	..
Total revenue	5,625,206	5,636,815	5,890,948
Expenses			
Transfers to government	2,387,775	2,394,048	2,507,087
Administered expenses	3,237,431	3,242,767	3,383,861
Total expenses	5,625,206	5,636,815	5,890,948
Net assets	211	211	211

Notes:

1. Appropriation revenue includes State and Australian Government funding.
2. The 2016-17 Estimated Actual surplus reflects an estimated increase in school bank accounts balances resulting mainly from additional Investing for Success funding provided directly to schools.

Service area sources of revenue¹

Sources of revenue 2017-18 Budget					
Department of Education and Training	Total cost \$'000	State contribution \$'000	User charges and fees \$'000	C'wealth revenue \$'000	Other revenue \$'000
Early Childhood Education and Care	314,755	185,807	917	127,133	898
School Education ²	8,624,890	6,463,310	369,893	1,714,172	77,515
Training and Skills ³	1,054,069	614,931	2,833	419,595	16,710
Total	9,993,714	7,264,048	373,643	2,260,900	95,123

Notes:

1. Explanations of variances are provided in the financial statements.
2. School Education also includes the Office of Non-State Schooling.
3. Training and Skills also includes Assistance to Higher Education.

Budget measures summary

This table shows a summary of budget measures relating to the department since the 2016-17 State Budget. Further details are contained in *Budget Measures (Budget Paper 4)*.

Department of Education and Training	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Revenue measures					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
Expense measures¹					
Administered	..	1,097	9,729	5,612	4,300
Departmental	22,700	32,143	90,546	51,973	31,035
Capital measures					
Administered	..	..	..	..	..
Departmental	85,650	157,560	209,790	215,000	100,000

Note:

- Figures reconcile with *Budget Measures (Budget Paper 4)* with the exception of the 2017-18 Budget Reprioritisations which is reported separately in *Budget Measures (Budget Paper 4)*.

Departmental capital program

The department has an extensive capital program across the entire continuum of learning. The 2017-18 highlights of the department's capital program will include:

- \$154.5 million as part of \$200 million in total funding for the construction of new halls, upgrading of existing halls and land acquisitions for new schools
- \$112.5 million to undertake new stages for recently opened schools and provide additional classrooms at existing schools in growth areas throughout the State
- \$37.7 million (excluding an expense component of \$3.7 million) as part of the \$100.7 million in total capital funding over five years to continue construction of three new primary schools in the high growth areas of Yarrabilba (Logan), Caloundra South and Coomera (all opening in 2018)
- \$42.4 million to undertake renewal and minor projects at existing schools
- \$42.7 million to replace and enhance facilities at existing schools
- \$28 million as part of the \$500 million in total capital funding over five years for the Building Future Schools Fund to address enrolment growth pressures in state schools
- \$21.3 million (excluding an expense component of \$1.6 million) as part of \$43.2 million in total capital funding to continue construction of a new primary school in Burdell, Townsville (opening in 2018)
- \$17.3 million for the renewal and growth of Queensland's training assets required for delivery of priority skills training that supports workforce and economic development.

Capital budget

Department of Education and Training	Notes	2016-17 Budget \$'000	2016-17 Est. Actual \$'000	2017-18 Budget \$'000
Capital purchases¹				
Total land, buildings and infrastructure		407,068	475,183	515,356
Total plant and equipment		48,519	55,519	44,028
Total other capital		53,210	53,210	21,206
Total capital purchases^{2, 3, 4}		508,797	583,912	580,590

Notes:

1. Capital purchases include acquisitions under finance leases consistent with *Capital Statement (Budget Paper 3)*. For more detail on the agency's capital acquisitions please refer to *Capital Statement (Budget Paper 3)*.
2. The increase between the 2016-17 Budget and 2016-17 Estimated Actual relates largely to additional capital funding associated with the Significant Regional Infrastructure Projects Program, as well as the construction and upgrading of school halls, land acquisitions for new schools and acceleration of works as part of the Advancing Queensland Schools program. This is partially offset by savings achieved and rephasing of expenditure for the constructions of new schools.
3. The increase between the 2016-17 Budget and the 2017-18 Budget relates largely to additional capital funding associated with the Significant Regional Infrastructure Projects Program, as well as the construction and upgrading of school halls, land acquisitions for new schools and acceleration of works as part of the Advancing Queensland Schools program, and new capital investment through the Building Future Schools Fund to address enrolment growth pressures in state schools. This is partially offset by timing of capital expenditure associated with the Queensland Schools Public Private Partnership and funding brought forward to 2016-17 for accelerated works.
4. The decrease between the 2016-17 Estimated Actual and the 2017-18 Budget relates largely to timing of capital expenditure associated with the Queensland Schools Public Private Partnership and funding brought forward to 2016-17 for accelerated works. This is partially offset by new capital funding for the construction and upgrading of school halls and land acquisitions for new schools as part of the Advancing Queensland Schools program, and new capital investment through the Building Future Schools Fund to address enrolment growth pressures in state schools.

Staffing¹

Department of Education and Training	Notes	2016-17 Budget	2016-17 Est. Actual	2017-18 Budget
Early Childhood Education and Care	2	282	301	301
School Education	3, 4	68,213	68,021	69,301
Training and Skills	5	361	373	373
TOTAL⁶		68,856	68,695	69,975

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. The increase between the 2016-17 Budget and Estimated Actual relates to additional staffing for the delivery of the Family Day Care Taskforce and to meet performance targets under the National Quality Agenda and Universal Access National Partnership Agreements.
3. All government commitments for extra teachers and guidance officers in addition to growth have been fully delivered with the difference between the 2016-17 Budget and Estimated Actual being due predominantly to lower than forecast school purchased labour.
4. The increase in the 2017-18 Budget relates to additional school based staff associated with forecast enrolment growth and election commitments.
5. The increase from the 2016-17 Budget to the 2016-17 Estimated Actual and 2017-18 Budget is mainly due to staffing for election commitments including Skilling Queenslanders for Work, Jobs Queensland and the Office of the Training Ombudsman.
6. FTEs include staff funded through other sources, for example Australian Government programs.

Budgeted financial statements

Analysis of budgeted financial statements

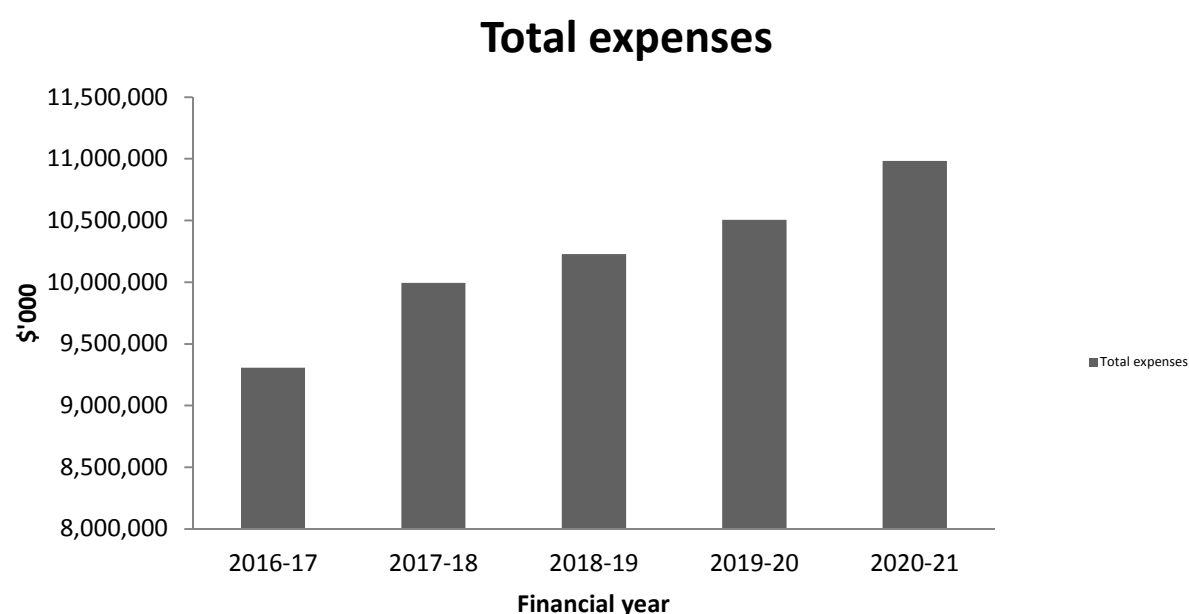
An analysis of the department's financial statements is provided below.

Departmental income statement

Total controlled expenses are estimated to be \$9.994 billion in 2017-18, an increase of \$615 million from the 2016-17 financial year. The increase is mainly due to state funded provisions for school enrolment growth, enterprise bargaining outcomes and other school based cost increases including school maintenance, additional funding for election commitments including extra teachers and guidance officers, changes associated with the Review of School Administrative and Support Staff, maintaining secondary curriculum offerings for the half cohort of students going into senior secondary, the Southbank Education and Training Precinct Public Private Partnership, and additional funding from the Australian Government's Quality Schools/Students First program, Universal Access program and the new Skilling Australians Fund. This is partially offset by lower levels of funding (including re-phasing) for the Australian Government's Skills Reform program and the department's contribution to the whole-of-government reprioritisation program.

The increase over the next few years is mainly the result of funding for election commitments including extra teachers and guidance officers, increases for anticipated student enrolment growth and enterprise bargaining outcomes, and school based cost increases including school maintenance, additional funding for the new Advancing Teaching and Learning package, Review of School Administrative and Support Staff and to maintain secondary curriculum offerings for the half cohort of students going into senior secondary, as well as additional funding from the Australian Government's Quality Schools/Students First program.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

The Department's major assets are mainly in land and buildings (\$19.291 billion) and intangibles (\$42.6 million). The Department's main liabilities relate to payables (including accrued employee benefits) and finance lease liabilities (including the lease associated with the Public Private Partnership arrangements).

Controlled income statement

Department of Education and Training	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
INCOME				
Appropriation revenue	1,11,20	8,886,613	8,780,098	9,517,394
Taxes		..	..	..
User charges and fees	2,21	377,182	399,003	373,643
Royalties and land rents		..	..	..
Grants and other contributions	3,12,22	72,087	83,028	58,396
Interest		14,838	14,643	14,662
Other revenue	4,23	28,053	50,914	29,619
Gains on sale/revaluation of assets		..	..	..
Total income		9,378,773	9,327,686	9,993,714
EXPENSES				
Employee expenses	5,13,24	6,293,981	6,330,848	6,656,701
Supplies and services	6,14,25	1,868,163	1,204,161	1,590,676
Grants and subsidies	7,15,26	612,411	1,159,618	1,119,294
Depreciation and amortisation	8,16,27	510,166	524,435	535,567
Finance/borrowing costs	17,28	52,502	52,242	55,737
Other expenses	9,18	39,725	35,670	35,011
Losses on sale/revaluation of assets	10,19	1,825	712	728
Total expenses		9,378,773	9,307,686	9,993,714
OPERATING SURPLUS/(DEFICIT)		..	20,000	..

Controlled balance sheet

Department of Education and Training	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
CURRENT ASSETS				
Cash assets	29,37,48	711,890	820,115	852,534
Receivables	30,38,49	104,807	107,511	112,627
Other financial assets		..	..	..
Inventories		2,952	2,820	2,961
Other	31,39,50	40,454	19,975	24,009
Non-financial assets held for sale		..	..	..
Total current assets		860,103	950,421	992,131
NON-CURRENT ASSETS				
Receivables	32,40	3,000	..	..
Other financial assets		..	..	..
Property, plant and equipment	33,41,51	18,100,539	18,797,527	19,290,915
Intangibles	34,42,52	43,498	45,825	42,556
Other		..	..	..
Total non-current assets		18,147,037	18,843,352	19,333,471
TOTAL ASSETS		19,007,140	19,793,773	20,325,602
CURRENT LIABILITIES				
Payables	35,43,53	253,428	261,251	268,991
Accrued employee benefits	44,54	204,869	204,240	209,096
Interest bearing liabilities and derivatives	45,55	11,939	11,998	13,385
Provisions		..	..	..
Other		33,074	31,726	33,052
Total current liabilities		503,310	509,215	524,524
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives	46,56	616,090	615,366	623,187
Provisions		272	228	228
Other		..	..	..
Total non-current liabilities		616,362	615,594	623,415
TOTAL LIABILITIES		1,119,672	1,124,809	1,147,939
NET ASSETS/(LIABILITIES)		17,887,468	18,668,964	19,177,663
EQUITY				
TOTAL EQUITY	36,47,57	17,887,468	18,668,964	19,177,663

Controlled cash flow statement

Department of Education and Training	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	58,69,77	8,886,613	8,780,098	9,517,394
User charges and fees	59,78	381,964	404,898	379,456
Royalties and land rent receipts		..	..	..
Grants and other contributions	60,70,79	64,887	78,002	56,370
Interest received		14,838	14,643	14,662
Taxes		..	..	..
Other	61,80	34,770	57,631	36,421
Outflows:				
Employee costs	62,71,81	(6,270,003)	(6,299,170)	(6,653,797)
Supplies and services	63,72,82	(1,869,058)	(1,205,056)	(1,589,893)
Grants and subsidies	64,73,83	(612,411)	(1,159,618)	(1,119,294)
Borrowing costs	74,84	(52,502)	(52,242)	(55,737)
Other	65,85	(41,453)	(39,572)	(41,978)
Net cash provided by or used in operating activities		537,645	579,614	543,604
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets	66,75,86	(455,587)	(530,702)	(559,384)
Payments for investments		..	..	..
Loans and advances made	67,87	..	3,000	..
Net cash provided by or used in investing activities		(455,587)	(527,702)	(559,384)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	68,76,88	(24,519)	48,293	60,197
Outflows:				
Borrowing redemptions		(3,452)	(3,452)	(3,656)
Finance lease payments		(7,511)	(7,511)	(8,342)
Equity withdrawals		..	(12,095)	..
Net cash provided by or used in financing activities		(35,482)	25,235	48,199
Net increase/(decrease) in cash held		46,576	77,147	32,419
Cash at the beginning of financial year		665,314	742,968	820,115
Cash transfers from restructure		..	..	..
Cash at the end of financial year		711,890	820,115	852,534

Administered income statement

Department of Education and Training	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
INCOME				
Appropriation revenue	89,91,93	3,237,431	3,242,767	3,383,861
Taxes		..	..	..
User charges and fees		..	..	..
Royalties and land rents		..	..	..
Grants and other contributions	90,92,94	2,387,775	2,394,048	2,507,087
Interest		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		5,625,206	5,636,815	5,890,948
EXPENSES				
Employee expenses		..	..	..
Supplies and services		3	3	3
Grants and subsidies	89,91,93	3,237,428	3,242,764	3,383,858
Depreciation and amortisation		..	..	..
Finance/borrowing costs		..	..	..
Other expenses		..	..	..
Losses on sale/revaluation of assets		..	..	..
Transfers of Administered Revenue to Government	90,92,94	2,387,775	2,394,048	2,507,087
Total expenses		5,625,206	5,636,815	5,890,948
OPERATING SURPLUS/(DEFICIT)		..	..	..

Administered balance sheet

Department of Education and Training	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
CURRENT ASSETS				
Cash assets		211	211	211
Receivables	
Other financial assets	
Inventories	
Other	
Non-financial assets held for sale	
Total current assets		211	211	211
NON-CURRENT ASSETS				
Receivables	
Other financial assets	
Property, plant and equipment	
Intangibles	
Other	
Total non-current assets	
TOTAL ASSETS		211	211	211
CURRENT LIABILITIES				
Payables	
Transfers to Government payable	
Accrued employee benefits	
Interest bearing liabilities and derivatives	
Provisions	
Other	
Total current liabilities	
NON-CURRENT LIABILITIES				
Payables	
Accrued employee benefits	
Interest bearing liabilities and derivatives	
Provisions	
Other	
Total non-current liabilities	
TOTAL LIABILITIES	
NET ASSETS/(LIABILITIES)		211	211	211
EQUITY				
TOTAL EQUITY		211	211	211

Administered cash flow statement

Department of Education and Training	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	95,97,99	3,237,431	3,244,915	3,383,861
User charges and fees		..	120	..
Royalties and land rent receipts		..	..	..
Grants and other contributions	96,98,100	2,387,775	2,394,048	2,507,087
Interest received		..	..	..
Taxes		..	..	..
Other		..	42	..
Outflows:				
Employee costs		..	..	..
Supplies and services		(3)	(4)	(3)
Grants and subsidies	95,97,99	(3,237,428)	(3,242,764)	(3,383,858)
Borrowing costs		..	..	..
Other		..	..	..
Transfers to Government	96,98,100	(2,387,775)	(2,394,048)	(2,507,087)
Net cash provided by or used in operating activities		..	2,309	..
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		..	2,309	..
Cash at the beginning of financial year		211	(2,098)	211
Cash transfers from restructure		..	..	..
Cash at the end of financial year		211	211	211

Explanation of variances in the financial statements

Income statement

Major variations between 2016-17 Budget and 2016-17 Estimated Actual include:

1. Decrease mainly due to re-phased funding associated with the Senior Assessment and Tertiary Entrance initiative, Australian Government Skills Reform and Universal Access National Partnership programs. This is partially offset by a technical adjustment to reflect funding for higher depreciation costs, additional funding for enterprise bargaining outcomes and the Southbank Education and Training Precinct Public Private Partnership.
2. Increase largely reflects higher fees and charges from international education programs and revenues received directly by schools.
3. Increase mainly due to higher contribution revenues received by schools.
4. Increase mainly due to recoveries from the Queensland Government Insurance Fund and natural disaster funding from the Queensland Reconstruction Authority.
5. Increase mainly due to the finalisation of enterprise bargaining outcomes for teachers and additional staff employed directly by schools throughout the year.
6. Decrease mainly due to the reclassification of outsourced service delivery expenditure from supplies and services to grants and subsidies, re-phasing of Australian Government National Partnership programs including Skills Reform, partially offset by higher levels of operating expenses associated with a larger capital works program.
7. Increase mainly due to the reclassification of outsourced service delivery expenditure from supplies and services to grants and subsidies, offset in part by the re-phasing of the Senior Assessment and Tertiary Entrance initiative, and Australian Government National Partnership programs including Skills Reform and Universal Access programs.
8. Increase reflects the impact of asset revaluations and changes in the level of depreciable assets.
9. Decrease due mainly to lower expenses incurred by schools from revenue received through fundraising and other sources.
10. Decrease mainly due to lower asset writedowns associated with the transfer and disposal of assets.

Major variations between 2016-17 Budget and 2017-18 Budget include:

11. Increase mainly due to state funded provisions for school enrolment growth, enterprise bargaining outcomes and other school based cost increases including school maintenance, additional funding for election commitments including extra teachers and guidance officers, changes associated with the Review of School Administrative and Support Staff, maintaining secondary curriculum for the half cohort of students going into senior secondary, the Southbank Education and Training Precinct Public Private Partnership, and additional funding from the Australian Government's Quality Schools/Students First program, Universal Access program and the new Skilling Australians Fund. This is partially offset by lower levels of funding (including re-phasing) for the Australian Government's Skills Reform program and the department's contribution to the whole-of-government reprioritisation program.
12. Decrease mainly due to anticipated lower contribution revenues received directly by schools.
13. Increase mainly reflects provisions for enterprise bargaining outcomes, student enrolment growth, and extra staff associated with election commitment funding for extra teachers and guidance officers as well as expenditure associated with the Review of School Administrative and Support Staff and maintaining secondary curriculum for the half cohort of students going into senior secondary.
14. Decrease mainly due to the reclassification of outsourced service delivery expenditure from supplies and services to grants and subsidies, expenditure associated with the re-phasing of the Australian Government Skills Reform program and the department's contribution to the whole-of-government reprioritisation program, offset in part by increased expenditure associated with Australian Government funded programs including Quality Schools/Students First, Skilling Australians Fund and Universal Access.
15. Increase mainly due to the reclassification of outsourced service delivery expenditure from supplies and services to grants and subsidies, which are partly offset by the change in rental subsidy funding arrangements between the department and TAFE Queensland.
16. Increase reflects the impact of asset revaluations and changes in the level of depreciable assets.
17. Increase mainly associated with interest expense on the progressive recognition of the Queensland Schools Public Private Partnership leased assets.

18. Decrease due mainly to lower expenses incurred by schools from revenue received through fundraising and other sources.
19. Decrease mainly due to lower asset writedowns associated with the transfer and disposal of assets.

Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:

20. Increase mainly due to state funded provisions for school enrolment growth, enterprise bargaining outcomes and other school based cost increases including maintenance, additional funding for election commitments including extra teachers and guidance officers, changes associated with the Review of School Administrative and Support Staff, maintaining secondary curriculum for the half cohort of students going into senior secondary, the Southbank Education and Training Precinct Public Private Partnership, and additional funding from the Australian Government's Quality Schools/Students First program, Universal Access program and the new Skilling Australians Fund. This is partially offset by lower levels of funding (including re-phasing) for the Australian Government's Skills Reform program and the department's contribution to the whole-of-government reprioritisation program.
21. Decrease largely reflects the change in rental subsidy funding arrangements between the department and TAFE Queensland, which is partly offset by higher fees and charges from international education programs and revenues received directly by schools.
22. Decrease mainly due to anticipated lower contribution revenues received directly by schools.
23. Decrease largely reflects the recoveries from the Queensland Government Insurance Fund and natural disaster funding from the Queensland Reconstruction Authority not anticipated for 2017-18.
24. Increase mainly reflects provisions for enterprise bargaining outcomes, student enrolment growth, and extra staff associated with election commitment funding for extra teachers and guidance officers as well as expenditure associated with the Review of School Administrative and Support Staff and maintaining secondary curriculum for the half cohort of students going into senior secondary.
25. Increase mainly due to expenditure associated with Australian Government funded programs such as Quality Schools/Students First, Skilling Australians Fund and Universal Access, partly offset by expenditure associated with re-phasing of the Australian Government's Skills Reform program and the department's contribution to the whole-of-government reprioritisation program.
26. Decrease mainly due to the change in rental subsidy funding arrangements between the department and TAFE Queensland.
27. Increase mainly reflects changes in the level of depreciable assets.
28. Increase mainly associated with interest expense on the progressive recognition of the Queensland Schools Public Private Partnership leased assets.

Balance sheet

Major variations between 2016-17 Budget and 2016-17 Estimated Actual include:

29. Increase largely reflects higher bank balances resulting from anticipated end of year accrued expenses and the impact of anticipated higher school bank balances at year end.
30. Increase due to the estimate of accrued revenue at year end.
31. Decrease largely reflects lower levels of prepayments including those associated with the Queensland Schools Public Private Partnership arrangements.
32. Decrease reflects the clearing of the advance associated with Central Queensland University.
33. Increase mainly due to annual asset revaluations and increases associated with the department's capital works program.
34. Increase mainly due to capitalisation of more intangible assets than forecast.
35. Increase mainly reflects anticipated levels of trade and capital creditors at year end.
36. Increase mainly reflects the larger capital program with additional funding for new school halls and land purchases, accelerated capital works under the Advancing Queensland Schools program, and funding for the Significant Regional Infrastructure Projects program, as well as changes associated with annual asset revaluations, and the impact of year end surpluses.

Major variations between 2016-17 Budget and 2017-18 Budget include:

37. Increase largely reflects higher bank balances resulting from anticipated end of year accrued expenses and the impact of anticipated higher school bank balances at year end.
38. Increase mainly reflects higher levels of accrued receipts anticipated.
39. Decrease largely reflects the level of prepayments including those associated with the Queensland Schools Public Private Partnership arrangements.
40. Decrease reflects the clearing of the advance associated with Central Queensland University.
41. Increase mainly due to annual asset revaluations and increases associated with the department's capital works program.
42. Decrease mainly reflects the impact of increased amortisation of limited-life assets.
43. Increase mainly to reflect anticipated levels of trade and capital creditors at year end.
44. Increase largely reflects higher employee expenses.
45. Increase reflects the Queensland Schools Public Private Partnership lease arrangements.
46. Increase reflects the Queensland Schools Public Private Partnership lease arrangements.
47. Increase mainly reflects the larger capital program with additional funding to address enrolment growth pressures in state schools through the Building Future Schools Fund, new school halls under the Advancing Queensland Schools program, the Significant Regional Infrastructure Projects program, changes associated with annual asset revaluations and the impact of anticipated year end surpluses.

Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:

48. Increase largely reflects higher bank balances resulting from anticipated end of year accrued expenses and the impact of anticipated higher school bank balances at year end.
49. Increase reflects higher levels of accrued receipts anticipated.
50. Increase largely reflects the anticipated level of prepayments at year end.
51. Increase mainly due to annual asset revaluations and increases in the department's capital works program.
52. Decrease mainly reflects the impact of increased amortisation of limited-life assets.
53. Increase largely reflects anticipated levels of trade and capital creditors.
54. Increase largely reflects higher employee expenses.
55. Increase reflects the Queensland Schools Public Private Partnership lease arrangements.
56. Increase reflects the Queensland Schools Public Private Partnership lease arrangements.
57. Increase largely reflects the increased capital program with additional funding to address enrolment growth pressures in state schools through the Building Future Schools Fund, new school halls under the Advancing Queensland Schools program, the Significant Regional Infrastructure Projects program, changes associated with annual asset revaluations, and the impact of year end surpluses.

Cash flow statement

Major variations between 2016-17 Budget and 2016-17 Estimated Actual include:

58. Decrease mainly due to re-phased funding associated with the Senior Assessment and Tertiary Entrance initiative, Australian Government Skills Reform and Universal Access National Partnership programs, partially offset by a technical adjustment to reflect funding for higher depreciation costs, additional funding for enterprise bargaining outcomes and the Southbank Education and Training Precinct Public Private Partnership.
59. Increase largely reflects higher fees and charges from international education programs and revenues received directly by schools.
60. Increase mainly due to higher contribution revenues received by schools.
61. Increase mainly due to recoveries from the Queensland Government Insurance Fund and natural disaster funding from the Queensland Reconstruction Authority.
62. Increase mainly due to the finalisation of enterprise bargaining outcomes for teachers and additional staff employed directly by schools throughout the year.

63. Decrease mainly due to the reclassification of outsourced service delivery expenditure from supplies and services to grants and subsidies, re-phasing of Australian Government National Partnership programs including Skills Reform and the National Quality Agenda program, partially offset by higher levels of operating expenses associated with a larger capital works program.
64. Increase mainly due to the reclassification of outsourced service delivery expenditure from supplies and services to grants and subsidies, offset in part by the re-phasing of the Senior Assessment and Tertiary Entrance initiative, and Australian Government National Partnership programs including Skills Reform and Universal Access programs.
65. Decrease due mainly to lower expenditure incurred by schools from revenue received through fundraising and other sources.
66. Increase largely reflects higher levels of capital works including additional funding for the Significant Infrastructure Projects Program, as well as new school halls, land purchases and the accelerated works as part of the Advancing Queensland Schools program.
67. Change reflects the clearing of the advance associated with Central Queensland University.
68. Increase reflects additional equity funding for the Significant Infrastructure Projects Program, as well as new school halls, land purchases and the accelerated works as part of the Advancing Queensland Schools program.

Major variations between 2016-17 Budget and 2017-18 Budget include:

69. Increase mainly due to state funded provisions for school enrolment growth, enterprise bargaining outcomes and other school based cost increases including school maintenance, additional funding for election commitments including extra teachers and guidance officers, changes associated with the Review of School Administrative and Support Staff, maintaining secondary curriculum for the half cohort of students going into senior secondary, the Southbank Education and Training Precinct Public Private Partnership, and additional funding from the Australian Government's Quality Schools/Students First program, Universal Access program and the new Skilling Australians Fund. This is partially offset by lower levels of funding (including re-phasing) for the Australian Government's Skills Reform program and the department's contribution to the whole-of-government reprioritisation program.
70. Decrease mainly due to anticipated lower contribution revenues received directly by schools.
71. Increase mainly reflects provisions for enterprise bargaining outcomes, student enrolment growth, and extra staff associated with election commitment funding for extra teachers and guidance officers as well as expenditure associated with the Review of School Administrative and Support Staff and maintaining secondary curriculum for the half cohort of students going into senior secondary.
72. Decrease mainly due to the reclassification of outsourced service delivery expenditure from supplies and services to grants and subsidies, expenditure associated with the re-phasing of the Australian Government Skills Reform program and the department's contribution to the whole-of-government reprioritisation program, offset in part by increased expenditure associated with Australian Government funded programs including Quality Schools/Students First, Skilling Australians Fund and Universal Access.
73. Increase mainly due to the reclassification of outsourced service delivery expenditure from supplies and services to grants and subsidies, which are partly offset by the change in rental subsidy funding arrangements between the department and TAFE Queensland.
74. Increase mainly associated with interest expense on the progressive recognition of the Queensland Schools Public Private Partnership leased assets.
75. Increase largely reflects higher levels of capital works including additional funding to address enrolment growth pressures in state schools through the Building Future Schools Fund, Significant Infrastructure Projects Program and new school halls under the Advancing Queensland Schools program.
76. Increase reflects higher levels of equity injections associated with the capital works program including additional funding to address enrolment growth pressures in state schools through the Building Future Schools Fund, Significant Infrastructure Projects Program and new school halls under the Advancing Queensland Schools program.

Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:

77. Increase mainly due to state funded provisions for school enrolment growth, enterprise bargaining outcomes and other school based cost increases including maintenance, additional funding for election commitments including extra teachers and guidance officers, changes associated with the Review of School Administrative and Support Staff, maintaining secondary curriculum for the half cohort of students going into senior secondary, the Southbank Education and Training Precinct Public Private Partnership, and additional funding from the Australian Government's Quality Schools/Students First program, Universal Access program and the new Skilling Australians Fund. This is partially offset by lower levels of funding (including re-phasing) for the Australian Government's Skills Reform program and the department's contribution to the whole-of-government reprioritisation program.
78. Decrease largely reflects the change in rental subsidy funding arrangements between the department and TAFE Queensland, which is partly offset by higher fees and charges from international education programs and revenues received directly by schools.
79. Decrease mainly due to anticipated lower contribution revenues received directly by schools.
80. Decrease largely reflects the recoveries from the Queensland Government Insurance Fund and natural disaster funding from the Queensland Reconstruction Authority not anticipated for 2017-18.
81. Increase mainly reflects provisions for enterprise bargaining outcomes, student enrolment growth, and extra staff associated with election commitment funding for extra teachers and guidance officers as well as expenditure associated with the Review of School Administrative and Support Staff and maintaining secondary curriculum for the half cohort of students going into senior secondary.
82. Increase mainly due to expenditure associated with Australian Government funded programs such as Quality Schools/Students First, Skilling Australians Fund and Universal Access, partly offset by expenditure associated with re-phasing of the Australian Government's Skills Reform program and the department's contribution to the whole-of-government reprioritisation program.
83. Decrease mainly due to the change in rental subsidy funding arrangements between the department and TAFE Queensland.
84. Increase mainly associated with interest expense on the progressive recognition of the Queensland Schools public private partnership leased assets.
85. Increase due mainly to higher expenditure incurred by schools from revenue received through fundraising and other sources.
86. Increase largely reflects higher levels of capital works including additional funding to address enrolment growth pressures in state schools through the Building Future Schools Fund, Significant Infrastructure Projects Program, and new school halls under the Advancing Queensland Schools program.
87. Change reflects the clearing of the advance associated with Central Queensland University.
88. Increase reflects higher levels of equity injections associated with the capital works program including additional funding to address enrolment growth pressures in state schools through the Building Future Schools Fund, Significant Infrastructure Projects Program, and new school halls under the Advancing Queensland Schools program.

Administered income statement

Major variations between 2016-17 Budget and 2016-17 Estimated Actual include:

89. Increase reflects higher levels of Australian Government's Quality Schools/Students First grant assistance to non-state schools.
90. Increase reflects higher levels of Australian Government's Quality Schools/Students First grant assistance to non-state schools.

Major variations between 2016-17 Budget and 2017-18 Budget include:

91. Increase mainly due to higher level of Australian Government's Quality Schools/Students First grant assistance to non-state schools and higher level of State Government recurrent funding to non-state schools.
92. Increase reflects higher levels of Australian Government's Quality Schools/Students First grant assistance to non-state schools.

Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:

- 93. Increase mainly due to higher level of Australian Government's Quality Schools/Students First grant assistance to non-state schools and higher level of State Government recurrent funding to non-state schools.
- 94. Increase reflects higher levels of Australian Government's Quality Schools/Students First grant assistance to non-state schools.

Administered cash flow statement

Major variations between 2016-17 Budget and 2016-17 Estimated Actual include:

- 95. Increase reflects higher levels of Australian Government's Quality Schools/Students First grant assistance to non-state schools.
- 96. Increase reflects higher levels of Australian Government's Quality Schools/Students First grant assistance to non-state schools.

Major variations between 2016-17 Budget and 2017-18 Budget include:

- 97. Increase mainly due to higher level of Australian Government's Quality Schools/Students First grant assistance to non-state schools and higher level of State Government recurrent funding to non-state schools.
- 98. Increase reflects higher levels of Australian Government's Quality Schools/Students First grant assistance to non-state schools.

Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:

- 99. Increase mainly due to higher level of Australian Government's Quality Schools/Students First grant assistance to non-state schools and higher level of State Government recurrent funding to non-state schools.
- 100. Increase reflects higher levels of Australian Government's Quality Schools/Students First grant assistance to non-state schools.

Statutory bodies

Queensland Curriculum and Assessment Authority

Overview

The Queensland Curriculum and Assessment Authority (QCAA) provides educational leadership through the delivery of innovative and high quality curriculum and assessment programs to support Queensland educators improve outcomes for learners across kindergarten to Year 12. Established on 1 July 2014, the QCAA offers syllabuses and guidelines, and assessment, testing, reporting, certification and tertiary entrance services to Queensland schools.

The QCAA's vision to provide a world class curriculum, learning and assessment system for Queensland students is reflected in its key priorities of:

- strengthening senior curriculum and assessment
- supporting the P–10 Australian Curriculum and Queensland Kindergarten Learning Guideline
- leading initiatives that support schools to lift student achievement in literacy and numeracy
- improving the delivery of services and client engagement by renewing information systems and communication channels, and streamlining processes and services
- cultivating a high performing and innovative QCAA workforce.

The QCAA is focused on actively supporting the Queensland Government's objective for the community of providing quality frontline services to achieve better education and training. It does this by providing teachers and educators with resources and training that enable them to develop curriculum, teaching and learning, and assessment programs that improve the education experience and outcomes of all young Queenslanders.

State and national education reforms and the role of technology in supporting these reforms are the key factors impacting on the work of the QCAA.

The QCAA is leading the implementation of the new senior assessment system announced by the Queensland Government in its policy position, *Advancing Futures: New senior assessment and tertiary entrance systems in Queensland*. The new system will commence for Year 11 students in 2019. Its key features include a new model of senior assessment based on a combination of school-based and external assessment, and new processes to support the quality and comparability of school-based assessment. Along with a new tertiary entrance rank to be calculated by the Queensland Tertiary Admissions Centre (QTAC), this is the most significant change to Queensland senior schooling in more than 40 years. The QCAA will consult and collaborate with its partners in the education community to ensure a world class education system is delivered for all Queensland students.

Service summary

To support the implementation of the new senior assessment system, the QCAA is trialling new assessment processes, redeveloping and revising around 90 senior syllabuses and accompanying resources, and developing new subject-based external assessments. To ensure teachers are able to effectively implement the new curriculum and assessment arrangements, the QCAA will also deliver an extensive professional learning program from July 2017. This will involve approximately 17,000 teachers attending over 700 workshops.

In the new senior system, students will continue to work towards achieving a Queensland Certificate of Education (QCE). Until QTAC assumes the responsibility for generating an Australian Tertiary Admission Rank (ATAR) for students in 2020, the QCAA will calculate Overall Position (OP) ranks and issue Tertiary Entrance Statements to eligible students in 2017-19. A total of 50,629 senior schooling statements were issued to Queensland students in 2016 and a record 94.3 per cent of Year 12 students achieved a QCE. A further 875 students with learning impairments were awarded a Queensland Certificate of Individual Achievement and 25,612 students received a Tertiary Entrance Statement.

In May 2017, approximately 250,000 students from 1,750 schools across Queensland participated in the National Assessment Program – Literacy and Numeracy (NAPLAN). The QCAA will continue to work with its state and national partners on the transition from paper-based to online assessment in the future.

A major priority for the QCAA in 2017–18 will be the continued redevelopment of its information and communication technology systems to support the new senior system and provide timely data to schools to improve student outcomes.

Service performance

Performance statement

Queensland Curriculum and Assessment Authority

Service area objective

To deliver high quality curriculum and assessment that meets the needs of all Queensland schools.

Service area description

The QCAA is responsible for providing Kindergarten to Year 12 syllabuses and guidelines, and assessment, testing, reporting, certification and tertiary entrance services to Queensland schools.

Queensland Curriculum and Assessment Authority	Notes	2016-17 Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
Service standards				
<i>Effectiveness measures</i>				
Percentage of stakeholders surveyed who consider the syllabuses and support materials developed by the Authority to be satisfactory		90%	88%	90%
Quality of certification processes: the percentage of Year 12 students whose Queensland Certificate of Education (QCE) eligibility status changed as a result of internal review		0.1%	0.1%	0.1%
Quality of certification processes: the percentage of all OP eligible Year 12 students whose Tertiary Entrance Statement changed for reasons other than school data error		0.02%	0.02%	0.02%
<i>Efficiency measures</i>				
Average cost per syllabus revision	1, 2, 3	\$126,662	\$137,866	\$0
Average cost per student of developing and issuing Senior Education Profiles	4, 5	\$264	\$266	\$269
Average cost per student of developing and issuing the National Assessment Program – Literacy and Numeracy (NAPLAN) student report	6, 7	\$36	\$38	\$40
Average cost per student of tertiary entrance and pathways information programs	8	\$9	\$9	\$9

Notes:

1. The average cost is calculated by allocating direct costs plus overheads divided by the number of syllabuses developed or revised.
2. The variance between the 2016-17 Target/Estimate and the 2016-17 Estimated Actual is largely due to additional work undertaken on the draft general syllabuses to support schools that require greater flexibility in the delivery of curriculum as requested by the schooling sectors.
3. A nil amount is shown for the 2017-18 Target/Estimate as redevelopment of all syllabuses is planned for completion by the end of Semester 1, 2017.

4. The average cost is calculated by allocating relevant direct costs plus overheads divided by the number of students receiving Senior Education Profiles.
5. The increase in the 2017-18 Target/Estimate is due to the indexation of labour costs as per the current Enterprise Bargaining Agreement (EBA).
6. The average cost is calculated by allocating relevant direct costs plus overheads divided by the number of students undertaking NAPLAN. These figures represent the total cost of the administration of the NAPLAN tests in Queensland. Schools/school sectors contribute to the overall costs.
7. The increase in the 2016-17 Estimated Actual and 2017-18 Target/Estimate is due to an increase in direct labour costs.
8. The average cost is calculated by allocating relevant direct costs plus overheads divided by the number of students in Years 11 and 12.

Staffing¹

Queensland Curriculum and Assessment Authority	Notes	2016-17 Budget	2016-17 Est. Actual	2017-18 Budget
Queensland Curriculum and Assessment Authority (QCAA)	1, 2, 3	276	304	304

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. The majority of QCAA's FTE staff are based at the South Brisbane office, with the remainder located at 11 district offices across Queensland. The figures include permanent and temporary funded positions.
3. The increase in the number of FTEs is due to an increase in staff to trial new assessment processes, redevelop senior syllabuses and provide professional development workshops to senior teachers and curriculum leaders to support the implementation of the new senior curriculum and assessment system.

Income statement

Queensland Curriculum and Assessment Authority	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
INCOME				
Taxes		..	..	..
User charges and fees	1,7	1,592	1,942	1,585
Grants and other contributions	2,5,8	63,453	55,964	68,056
Interest		311	290	225
Other revenue		3	67	1
Gains on sale/revaluation of assets		..	..	..
Total income		65,359	58,263	69,867
EXPENSES				
Employee expenses	3,9	41,822	40,552	41,754
Supplies and services	4,6,10	22,976	17,025	27,391
Grants and subsidies		..	..	..
Depreciation and amortisation		481	609	641
Finance/borrowing costs		..	..	..
Other expenses		80	77	81
Losses on sale/revaluation of assets		..	..	..
Total expenses		65,359	58,263	69,867
OPERATING SURPLUS/(DEFICIT)		..	..	..

Balance sheet

Queensland Curriculum and Assessment Authority	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
CURRENT ASSETS				
Cash assets	13,17	10,951	10,438	8,245
Receivables	11,14	909	1,316	1,279
Other financial assets		..	..	..
Inventories		10	..	..
Other		362	544	336
Non-financial assets held for sale		..	..	..
Total current assets		12,232	12,298	9,860
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		812	905	663
Intangibles	15,18	7,476	7,068	10,769
Other		..	..	..
Total non-current assets		8,288	7,973	11,432
TOTAL ASSETS		20,520	20,271	21,292
CURRENT LIABILITIES				
Payables	12,16,19	5,708	5,143	6,343
Accrued employee benefits		1,089	1,320	1,191
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		248	302	252
Total current liabilities		7,045	6,765	7,786
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		7,045	6,765	7,786
NET ASSETS/(LIABILITIES)		13,475	13,506	13,506
EQUITY				
TOTAL EQUITY		13,475	13,506	13,506

Cash flow statement

Queensland Curriculum and Assessment Authority	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	20,29	1,694	2,073	1,753
Grants and other contributions	21,26,30	63,453	55,964	68,056
Interest received		311	283	232
Taxes		..	..	..
Other	22,27	1,286	2,265	2,729
Outflows:				
Employee costs	23,31	(41,731)	(40,932)	(41,893)
Supplies and services	24,28,32	(22,420)	(19,288)	(28,471)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(233)	(248)	(259)
Net cash provided by or used in operating activities		2,360	117	2,147
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets	25,33	(4,330)	(3,956)	(4,340)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(4,330)	(3,956)	(4,340)
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		(1,970)	(3,839)	(2,193)
Cash at the beginning of financial year		12,921	14,277	10,438
Cash transfers from restructure		..	..	..
Cash at the end of financial year		10,951	10,438	8,245

Explanation of variances in the financial statements

Income statement

Major variations between 2016-17 Budget and 2016-17 Estimated Actual include:

1. Increase due to the revised timeframe for the delivery of professional development workshops on the changes to syllabus content and new school-based assessment processes. These free workshops were originally to commence in January 2016 but will now commence in July 2017. This revised timeframe has resulted in fee paying workshops being provided as usual during 2016-17.
2. Decrease due to the Government's October 2016 decision to revise the implementation timeframe for the new senior assessment and tertiary entrance systems from 2018 to 2019. Funding from the Department of Education and Training (DET) was reprofiled to match the revised timeframes for redevelopment of senior syllabuses and professional development workshops for teachers and curriculum leaders.
3. Decrease due to the Government's October 2016 decision to revise the implementation timeframe for the new senior assessment and tertiary entrance systems from 2018 to 2019. The majority of the reduction is due to the revised commencement date for development of external assessments.
4. Decrease due to the Government's October 2016 decision to revise the implementation timeframe for the new senior assessment and tertiary entrance systems from 2018 to 2019. The majority of the reduction is due to the revised commencement date for the provision of professional development to senior teachers and school curriculum leaders. These professional development workshops were originally to commence in January 2016 and run throughout 2016-17 but will now commence in July 2017.

Major variations between 2016-17 Budget and 2017-18 Budget include:

5. Increase relates to additional funding from DET to continue trialling new assessment processes, provide professional development to senior teachers and school curriculum leaders, and commence development of external assessments for the new senior assessment and tertiary entrance system commencing in 2019.
6. Increase due to the Government's October 2016 decision to revise the implementation timeframe for the new senior assessment and tertiary entrance systems from 2018 to 2019. The majority of the increase is due to the revised commencement date for the provision of professional development to senior teachers and school curriculum leaders. These professional development workshops were originally to commence in January 2016 but will now commence in July 2017.

Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:

7. Decrease due to professional development workshops on the changes to syllabus content and new school-based assessment processes being provided to senior teachers and school curriculum leaders at no charge, reducing the capacity for fee paying workshops to be provided.
8. Increase relates to additional funding from DET to continue trialling new assessment processes, provide professional development to senior teachers and school curriculum leaders, and commence development of external assessments for the new senior assessment and tertiary entrance system commencing in 2019.
9. Increase relates to additional casual assessors employed to continue trialling new assessment processes, assist in the provision of professional development to senior teachers and school curriculum leaders, and commence development of external assessments for the new senior assessment and tertiary entrance system commencing in 2019.
10. Increase due to the Government's October 2016 decision to revise the implementation timeframe for the new senior assessment and tertiary entrance systems from 2018 to 2019. The majority of the increase is due to the revised commencement date for the provision of professional development to senior teachers and school curriculum leaders. These professional development workshops were originally to commence in January 2016 but will now commence in July 2017.

Balance sheet

Major variations between 2016-17 Budget and 2016-17 Estimated Actual include:

11. Increase reflects higher anticipated GST input tax credits at year end.

12. The majority of the decrease is due to the revised timeframe for the professional development workshops on the changes to syllabus content and new school-based assessment processes. As these workshops are now commencing in July 2017, no Teacher Relief Scheme (TRS) payments are payable to schools in the 2016-17 financial year.

Major variations between 2016-17 Budget and 2017-18 Budget include:

13. Decrease due to capital expenditure on development of software applications to support the new senior assessment and tertiary entrance system commencing in 2019.
14. Increase reflects higher anticipated GST input tax credits at year end.
15. Increase due to increased capital expenditure on development of software applications to support the new senior assessment and tertiary entrance system commencing in 2019.
16. The majority of the increase is due to accrued TRS claims from schools for senior teachers and curriculum leaders attending the professional development workshops on the changes to syllabus content and new school-based assessment processes.

Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:

17. Decrease due to capital expenditure on development of software applications to support the new senior assessment and tertiary entrance system commencing in 2019.
18. Increase due to increased capital expenditure on development of software applications to support the new senior assessment and tertiary entrance system commencing in 2019.
19. The majority of the increase is due to accrued TRS claims from schools for senior teachers and curriculum leaders attending the professional development workshops on the changes to syllabus content and new school-based assessment processes.

Cash flow statement

Major variations between 2016-17 Budget and 2016-17 Estimated Actual include:

20. Increase due to the revised timeframe for the delivery of professional development workshops on the changes to syllabus content and new school-based assessment processes. These free workshops were originally to commence in January 2016 but will now commence in July 2017. This revised timeframe has resulted in fee paying workshops being provided as usual during 2016-17.
21. Decrease due to the Government's October 2016 decision to revise the implementation timeframe for the new senior assessment and tertiary entrance systems from 2018 to 2019. Funding from DET was reprofiled to match the revised timeframes for redevelopment of senior syllabuses and professional development workshops for teachers and curriculum leaders.
22. Increase due to an underestimation of GST input tax credits in the 2016-17 Budget.
23. Decrease due to the Government's October 2016 decision to revise the implementation timeframe for the new senior assessment and tertiary entrance systems from 2018 to 2019. The majority of the reduction is due to the revised commencement date for development of external assessments.
24. Decrease due to the Government's October 2016 decision to revise the implementation timeframe for the new senior assessment and tertiary entrance systems from 2018 to 2019. The majority of the reduction is due to the revised commencement date for the provision of professional development to senior teachers and school curriculum leaders. These professional development workshops were originally to commence in January 2016 but will now commence in July 2017.
25. Decrease due to lower than anticipated capital expenditure on development of software applications to support the new senior assessment and tertiary entrance system commencing in 2019.

Major variations between 2016-17 Budget and 2017-18 Budget include:

26. Increase relates to additional funding from DET to continue trialling new assessment processes, provide professional development to senior teachers and school curriculum leaders, and commence development of external assessments for the new senior assessment and tertiary entrance system commencing in 2019.
27. Increase reflects higher levels of GST input tax credits from supplies and services expense.

28. Increase due to the Government's October 2016 decision to revise the implementation timeframe for the new senior assessment and tertiary entrance systems from 2018 to 2019. The majority of the increase is due to the revised commencement date for the provision of professional development to senior teachers and school curriculum leaders. These professional development workshops were originally to commence in January 2016 but will now commence in July 2017.

Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:

29. Decrease due to professional development workshops on the changes to syllabus content and new school-based assessment processes being provided to senior teachers and school curriculum leaders at no charge, reducing the capacity for fee paying workshops to be provided.
30. Increase relates to additional funding from DET to continue trialling new assessment processes, provide professional development to senior teachers and school curriculum leaders, and commence development of external assessments for the new senior assessment and tertiary entrance system commencing in 2019.
31. Increase relates to additional casual assessors employed to continue trialling new assessment processes, assist in the provision of professional development to senior teachers and school curriculum leaders, and commence development of external assessments for the new senior assessment and tertiary entrance system commencing in 2019.
32. Increase due to the Government's October 2016 decision to revise the implementation timeframe for the new senior assessment and tertiary entrance systems from 2018 to 2019. The majority of the increase is due to the revised commencement date for the provision of professional development to senior teachers and school curriculum leaders. These professional development workshops were originally to commence in January 2016 but will now commence in July 2017.
33. Increase due to capital expenditure on development of software applications to support the new senior assessment and tertiary entrance system commencing in 2019.

TAFE Queensland

Overview

The vocational education and training (VET) sector in Queensland is critical to the supply of skills for occupations linked to growth sectors that will contribute to the State's future economic prosperity. Established as a statutory body under the *TAFE Queensland Act 2013*, TAFE Queensland is a single, commercially focused but community-minded organisation servicing the length and breadth of the State.

As Queensland's largest, most experienced and trusted training provider, TAFE Queensland delivers practical, industry-relevant training that reflects the diverse skilling needs across our broad geography. From foundation skills and entry-level workforce qualifications to higher education degrees, TAFE Queensland provides individuals with training options at every stage of their career and employers with skilling solutions that respond to complex workforce needs.

In 2017-18, TAFE Queensland will continue to focus on:

- refining our program offerings in response to skills demand and jobs of the future
- building the capability of all staff to deliver quality student experiences and satisfaction
- embedding a safety culture that promotes and recognises safe practices for staff and students
- improving the value and employability of TAFE Queensland graduates across job markets by delivering industry relevant and job ready training sought after by employers
- renewing information and communication technology systems including a new Student Management System to improve functionality and performance
- building the skills of the workforce for the Gold Coast 2018 Commonwealth Games by providing specific training programs to enhance the skills of the 15,000 Games volunteers
- leveraging resources to maximise commercial opportunities in new and existing markets
- driving improvements in the effectiveness and efficiency of TAFE Queensland's services and activities.

Service summary

TAFE Queensland contributes to the Queensland Government's objectives for the community of creating jobs and a diverse economy and delivering quality frontline training services through the provision of quality training designed to increase workforce participation and meet the needs of industry and local economies. Specifically, TAFE Queensland offers a breadth and depth of offerings from foundation skills and entry level workforce qualifications to higher education degrees, across a wide range of industry and occupation areas. TAFE Queensland provides individuals with training options at every stage of their career, and employers with skilling solutions that respond to complex workforce needs.

In 2017-18, TAFE Queensland will focus on strengthening its efforts and working alongside the Queensland Government to improve the quality of, access to and affordability of VET for all Queenslanders.

Above all, TAFE Queensland will maintain its focus on building a financially strong and community-minded public provider.

Service performance

Performance statement

TAFE Queensland

Service area objective

To be an efficient, effective, sustainable and responsive organisation that develops skills and employment opportunities for individuals to meet employer, industry and community demands.

Service area description

Delivering sustainable and responsive VET services needed by Queenslanders.

Services

TAFE Queensland	Notes	2016-17 Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
Service standards				
<i>Effectiveness measures</i>				
Proportion of all attempted competencies successfully completed		90%	90%	90%
Student post training outcome (employed or in further study after training)	1, 2	88%	85.5%	88%
Proportion of graduates satisfied with the overall quality of their training	1, 3	89%	86.8%	89%
Proportion of employers satisfied with the overall quality of training	1	85%	89%	89%
<i>Efficiency measure</i>				
Average cost per competency successfully completed (\$)	4	\$799	\$825	\$770

Notes:

1. Survey results reported in 2017-18 will relate to student and employer activity in 2017.
2. Student post training outcome performance, whilst short of the target it remains high and is consistent with TAFEs in other jurisdictions.
3. Proportion of graduates satisfied with the overall quality of training is behind target but remains high and is above the national average of 86.1%.
4. Average cost per competency successfully completed is impacted by a number of variables, including completion rates, volume of training activity, type and duration of competencies delivered, class sizes and general cost increases (wage and Consumer Price Index increases). A slight increase in estimated expenses and a slight decrease in estimated competencies has contributed to the variance from the target.

Further commentary on financial variance is detailed in the Explanation of Variances in the Financial Statements section.

Staffing¹

TAFE Queensland	Notes	2016-17 Budget	2016-17 Est. Actual	2017-18 Budget
TAFE Queensland	2	4,016	4,015	3,989

Notes:

1. Budgeted full-time equivalents (FTEs) as at 30 June.
2. TAFE Queensland's staffing levels are aligned to training delivery and associated support requirements. The 2017-18 Budgeted FTEs reflects the estimated requirements based on changes in training activity, efficiencies realised through process improvements and an expected reduction in short term contract / seconded staff engaged in project activities.

Income statement

TAFE Queensland	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
INCOME				
Taxes		..	..	..
User charges and fees	1,8,15	438,283	267,110	276,569
Grants and other contributions	2,9,16	222,736	380,977	338,131
Interest		6,101	4,963	4,694
Other revenue	3,17	6,722	10,423	5,663
Gains on sale/revaluation of assets		..	..	..
Total income		673,842	663,473	625,057
EXPENSES				
Employee expenses	10,18	397,414	397,453	401,057
Supplies and services	4,11,19	238,957	247,029	195,341
Grants and subsidies	5,12	4,479	2,093	2,042
Depreciation and amortisation	6,13,20	12,916	11,679	14,979
Finance/borrowing costs		..	..	..
Other expenses	7,14	3,648	2,538	2,725
Losses on sale/revaluation of assets		209	711	784
Total expenses		657,623	661,503	616,928
OPERATING SURPLUS/(DEFICIT)		16,219	1,970	8,129

Balance sheet

TAFE Queensland	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
CURRENT ASSETS				
Cash assets		213,615	214,782	219,219
Receivables	21,28	59,505	78,578	79,366
Other financial assets		..	..	..
Inventories		517	691	691
Other	22,29	5,738	8,113	7,876
Non-financial assets held for sale		..	..	..
Total current assets		279,375	302,164	307,152
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	23,30	40,334	32,847	32,770
Intangibles	24,31,35	40,213	30,907	35,680
Other		..	..	..
Total non-current assets		80,547	63,754	68,450
TOTAL ASSETS		359,922	365,918	375,602
CURRENT LIABILITIES				
Payables	25,32	33,607	35,476	35,476
Accrued employee benefits	26,33	15,522	23,442	24,147
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	27,34	36,795	34,840	35,690
Total current liabilities		85,924	93,758	95,313
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		85,924	93,758	95,313
NET ASSETS/(LIABILITIES)		273,998	272,160	280,289
EQUITY				
TOTAL EQUITY		273,998	272,160	280,289

Cash flow statement

TAFE Queensland	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	36,43	448,502	280,951	283,754
Grants and other contributions	37,44,50	222,736	380,977	338,131
Interest received		6,101	4,960	4,694
Taxes		..	..	..
Other	38,51	26,460	30,970	25,593
Outflows:				
Employee costs	45,52	(397,280)	(396,142)	(400,524)
Supplies and services	39,46,53	(258,724)	(276,511)	(215,650)
Grants and subsidies	40,47	(4,479)	(2,093)	(2,042)
Borrowing costs		..	..	..
Other	41,48	(12,825)	(9,511)	(9,844)
Net cash provided by or used in operating activities		30,491	13,601	24,112
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets	42,49,54	(39,179)	(30,015)	(19,675)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(39,179)	(30,015)	(19,675)
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		(8,688)	(16,414)	4,437
Cash at the beginning of financial year		222,303	231,196	214,782
Cash transfers from restructure		..	..	..
Cash at the end of financial year		213,615	214,782	219,219

Explanation of variances in the financial statements

Income statement

Major variations between 2016-17 Budget and 2016-17 Estimated Actual include:

1. The decrease in user charges and fees relates to the reclassification of the Queensland training subsidy component of course fees as contributions and lower than budgeted growth in training based revenues as a result of lower than targeted international students studying onshore, impact of student loan changes to diploma qualifications by the Commonwealth Government, lower enrolments in higher education degree programs and lower than targeted commercial training contracts as a result of economic conditions.
2. The increase in grants and other contributions relates to the reclassification of the Queensland training subsidy component of course fees as contributions and an additional maintenance grant from the Department of Education and Training (DET).
3. The increase in other revenue mainly relates to additional revenues recognised under a co-provider agreement.
4. The increase in supplies and services mainly relates to additional maintenance spend and reclassification of expenses relating to the Australia Pacific Technical College.
5. The decrease in grants and subsidies mainly relates to the classification of payments made by the Australia Pacific Technical College.
6. The decrease in depreciation and amortisation mainly relates to the timing of the capitalisation of product development programs and plant and equipment acquisitions.
7. The decrease in other expenses mainly relates to Australia Pacific Technical College student scholarship expenses reclassified as supplies and services.

Major variations between 2016-17 Budget and 2017-18 Budget include:

8. The decrease in user charges and fees mainly relates to the reclassification of the Queensland training subsidy component of course fees as contributions and lower budgeted training based revenues in 2017-18 as a result of lower international students studying onshore, impact of student loan changes to diploma qualifications by the Commonwealth Government, lower enrolments in higher education degree programs and lower commercial training contracts as a result of economic conditions.
9. The increase in grants and other contributions is due to the reclassification of the Queensland training subsidy component of course fees as contributions, offset by a reduction in the rental and maintenance subsidy as a result of a proposed change in arrangements with DET relating to State Training Assets.
10. The increase in employee expenses relates to wage increases offset by changes in staffing levels.
11. The decrease in supplies and services mainly relates to a proposed change in arrangements with DET relating to State Training Assets resulting in a reduction in the rental and maintenance expenses and procurement and productivity reductions, offset by the reclassification of expenses relating to the Australia Pacific Technical College.
12. The decrease in grants and subsidies mainly relates to the classification of payments made by the Australia Pacific Technical College.
13. The increase in depreciation and amortisation mainly relates to the capitalisation of product development programs and the student management system
14. The decrease in other expenses mainly relates to Australia Pacific Technical College student scholarship expenses reclassified as supplies and services.

Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:

15. The increase in user charges and fees mainly relates to price indexation on course fees, additional delivery areas under the Skills for Education and Employment (SEE) contract and targeted growth.
16. The decrease in grants and other contributions is mainly due to a proposed change in arrangements with DET relating to State Training Assets resulting in a reduction in the rental and maintenance subsidy.
17. The decrease in other revenue mainly relates to additional revenues recognised under a co-provider agreement in 2016-17.
18. The increase in employee expenses relates to wage increases offset by changes in staffing levels.

19. The decrease in supplies and services mainly relates to a proposed change in arrangements with DET relating to State Training Assets resulting in a reduction in the rental and maintenance expenses, and procurement and productivity reductions.
20. The increase in depreciation and amortisation mainly relates to the capitalisation of product development programs and student management system.

Balance sheet

Major variations between 2016-17 Budget and 2016-17 Estimated Actual include:

21. The increase in receivables is mainly due to the recognition of government subsidised training commenced but not completed.
22. The increase in other current assets relates to higher levels of prepayments expected to be carried at year end.
23. The decrease in property, plant and equipment mainly relates to lower than budgeted replacement of plant and equipment.
24. The decrease in intangible assets mainly relates to the timing of the capitalisation of product development programs and student management system.
25. The increase in payables mainly relates to higher levels of goods and services tax (GST) payable expected to be carried at year end.
26. The increase in accrued employee benefits mainly relates to higher levels of payables for salaries and wages, annual leave levy and long service leave levy expected to be carried at year end.
27. The decrease in other current liabilities is mainly due to lower levels of unearned revenue expected to be carried at year end.

Major variations between 2016-17 Budget and 2017-18 Budget include:

28. The increase in receivables is mainly due to the recognition of government subsidised training commenced but not completed.
29. The increase in other current assets relates to higher levels of prepayments expected to be carried at the end of 2017-18.
30. The decrease in property, plant and equipment mainly relates to lower than budgeted replacement of plant and equipment in 2016-17 resulting in lower asset balances carried into 2017-18.
31. The decrease in intangible assets mainly relates to the timing of the capitalisation of product development programs and student management system.
32. The increase in payables mainly relates to higher levels of GST payable expected to be carried at the end of 2017-18.
33. The increase in accrued employee benefits mainly relates to higher levels of payables for salaries and wages, annual leave levy and long service leave levy expected to be carried at the end of 2017-18.
34. The decrease in other current liabilities is mainly due to lower levels of unearned revenue expected to be carried at the end of 2017-18.

Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:

35. The increase in intangible assets relates to the capitalisation of product development programs and student management system.

Cash flow statement

Major variations between 2016-17 Budget and 2016-17 Estimated Actual include:

36. The decrease in user charges and fees relates to the reclassification of the Queensland training subsidy component of course fees as contributions, and lower than budgeted growth in training based revenues.
37. The increase in grants and other contributions mainly relates to the reclassification of the Queensland training subsidy component of course fees as contributions and an additional maintenance grant from DET.
38. The increase in other cash flows mainly relates to additional revenues recognised under a co-provider agreement.

39. The increase in supplies and services outflows mainly relates to additional maintenance spend and reclassification of expenses relating to the Australia Pacific Technical College, and the settlement of payables from 2015-16.
40. The decrease in grants and subsidies outflows subsidies mainly relates to the classification of payments made by the Australia Pacific Technical College.
41. The decrease in other operating outflows mainly relates to Australia Pacific Technical College student scholarship expenses reclassified as supplies and services, and a reduction in GST paid to the ATO.
42. The decrease in payments for non-financial assets mainly relates to the timing of product development activities and the student management system renewal project and lower than budgeted replacement of plant and equipment.

Major variations between 2016-17 Budget and 2017-18 Budget include:

43. The decrease in user charges and fees inflows mainly relates to the reclassification of the Queensland training subsidy component of course fees as contributions and lower budgeted training based revenues in 2017-18 as a result of lower international students studying onshore, impact of student loan changes to diploma qualifications by the Commonwealth Government, lower enrolments in higher education degree programs and lower commercial training contracts as a result of economic conditions.
44. The increase in grants and other contributions mainly relates to the reclassification of the Queensland training subsidy component of course fees as contributions offset by a reduction in the rental and maintenance subsidy proposed as a result of a proposed change in arrangements with DET relating to State Training Assets.
45. The increase in employee costs mainly relates to wage increases and changes in staffing levels.
46. The decrease in supplies and services outflows mainly relates to proposed change in arrangements with DET relating to State Training Assets resulting in a reduction in the rental and maintenance expenses, and procurement and productivity reductions, offset by the reclassification of expenses relating to the Australia Pacific Technical College.
47. The decrease in grants and subsidies outflows mainly relates to the classification of payments made by the Australia Pacific Technical College.
48. The decrease in other operating outflows mainly relates to Australia Pacific Technical College student scholarship expenses reclassified as supplies and services, and a reduction in GST paid to the Australian Taxation Office (ATO).
49. The decrease in payments for non-financial assets relates to lower budgeted spend on the student management system and replacement of plant and equipment in 2017-18.

Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:

50. The decrease in grants and other contributions is due a proposed change in arrangements with DET relating to State Training Assets resulting in a reduction in the rental and maintenance subsidy.
51. The decrease in other cash flows mainly relates to additional revenues received under a co-provider agreement in 2016-17.
52. The increase in employee costs mainly relates to wage increases and changes in staffing levels.
53. The decrease in supplies and services outflows mainly relates to proposed change in arrangements with DET relating to State Training Assets resulting in a reduction in the rental and maintenance expenses, procurement and productivity reductions and the settlement of payables from 2015-16 in 2016-17.
54. The decrease in payments for non-financial assets relates to lower budgeted spend on the student management system and replacement of plant and equipment in 2017-18.

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.

For a more detailed Glossary of Terms, please refer to the Reader's Guide available on the Budget website at www.budget.qld.gov.au



Queensland Budget 2017-18

Service Delivery Statements

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